



U.S. Department of Education Federal Student Aid 2003 Customer Satisfaction Surveys

Executive Master Report

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CFI Group
Claes Fornell International

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Introduction

Introduction

About This Report

This report contains the results from the 2003 Federal Student Aid Customer Satisfaction Surveys for four business areas: Direct Loan Servicing, FAFSA on the Web, Common Origination and Disbursement, and LaRS. In addition to this Introduction, the report is divided into the following sections:

- **Executive Summary:** Discusses the study background and objectives, and the general research process; provides a summary of customer satisfaction scores across the business areas and relevant performance benchmarks from both the private and public sector; and offers general findings and recommendations for FSA based on common themes across the business area survey results.
- **Business Area Survey Results:** Provides survey results for the four business areas surveyed, following a common format for each. These sections include:
 - A **Research Summary** discussing the questionnaire development and sampling procedures.
 - **Conclusions and Recommendations** summarizing survey findings and suggesting improvement priorities with the highest potential to increase customer satisfaction.
 - **Score Detail and Segmentation** tables providing complete performance results on all survey items for all respondents and for customer sub-groups of potential interest.
 - **Verbatim Comments** from respondent answers to open-ended survey questions to provide additional context for interpreting the quantitative results.
 - The full **Questionnaire** used for the survey.

Analysis Methodology

The analytical methodology used to evaluate the survey results is consistent with that used in the American Customer Satisfaction Index (ACSI). The ACSI (www.theACSI.org), established in 1994, is a uniform, cross-industry measure of satisfaction with goods and services available to U.S. consumers, including both the private and public sectors. It is produced by the National Quality Research Center at the University of Michigan Business School under the direction of Dr. Claes Fornell.

CFI Group, a management consulting firm that specializes in the application of the ACSI methodology to individual organizations, uses the ACSI methodology to identify the causes of customer satisfaction and relates satisfaction to organizational performance measures such as the rate of customer complaints and customer confidence in the service they receive. The methodology measures quality, satisfaction, and performance, and links them within a structural equation model using a Partial Least Squares method. By using this system, CFI Group's analysis overcomes customers' inherent difficulty to precisely report the relative effects of the many factors influencing their satisfaction. Using CFI Group's results, organizations can identify those factors that will most improve customer satisfaction and other measures of organizational performance.

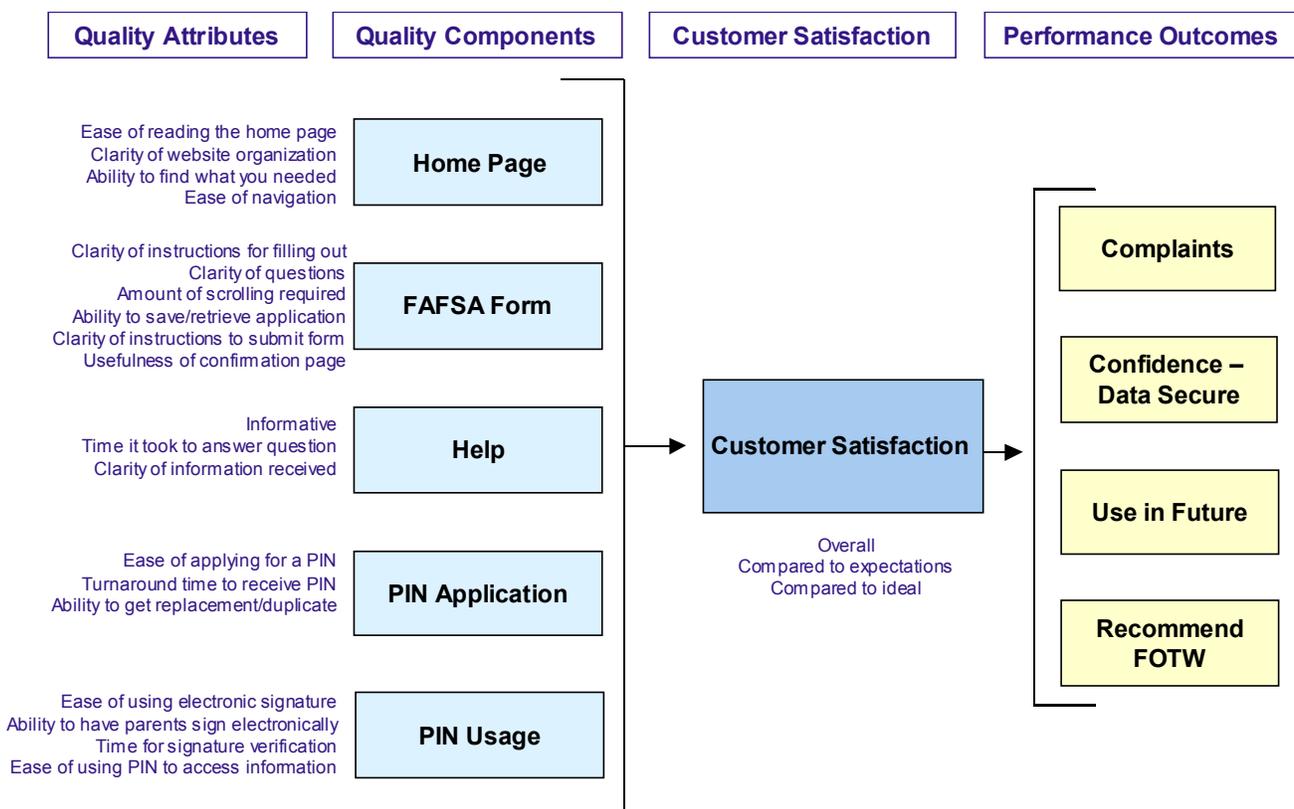
The heart of the CFI Group methodology is the Customer Satisfaction Model, a sample of which (for FAFSA on the Web) is found on the following page. The model flows from left to right in a chain of cause-and-effect. On the far left side are **Quality Attributes** - actual questions about various aspects of FSA's performance from the survey itself. These roll up into **Quality**

Introduction continued

Components representing general areas of performance that drive **Customer Satisfaction**. The **Customer Satisfaction Index (CSI)** is measured separately by three questions - overall satisfaction, satisfaction compared to expectations, and satisfaction compared to an “ideal.” The CSI is a leading indicator of the organizational **Performance Outcomes**, which typically include the percentage of respondents saying that they have complained to FSA, their confidence in the security of FSA systems, and other measures as appropriate for the business area.

The results presented in this report precisely quantify both current levels of performance on all the model elements, and the predicted impacts of quality and satisfaction improvements on performance outcomes. As the FSA business areas improve performance on the Quality Attributes and Components, the CSI will increase, resulting in improved outcomes. The analysis results help to pinpoint the areas of greatest leverage to drive these desirable outcomes, and thus serve as the jumping-off point for FSA to develop successful and cost-effective strategies to continue to satisfy its customer base.

Customer Satisfaction Model Example: FAFSA on the Web



Introduction continued

Terminology Used in This Report

Results from this analysis are presented through various discussions, charts, and tables provided in this report. To understand these clearly, some definitions are in order:

Quality Attribute – Attributes reflect different aspects or qualities of a component experienced by customers, which may contribute to satisfaction. Each attribute is captured by a specific scaled question from the questionnaire.

Quality Attribute Rating – An attribute rating is the average of all responses to each question. Each rating has been converted to a 0-100 scale. In general, it indicates how negatively (low ratings) or positively (high ratings) customers perceive specific issues.

Quality Component – Each component is defined by a set of attributes that are conceptually and empirically related to each other. For example, a component entitled “PIN Usage” may include the questions “time for signature verification” and “ease of using electronic signature.”

Quality Component Score (or simply “score”) – A component score represents your organization’s “performance” in that area. In general, they tell how negatively (low scores) or positively (high scores) customers feel about the performance. Quantitatively, the score is the weighted average of the attributes that define the component in the CFI Group model. These scores are presented on a 0-100 scale.

Quality Component Impact (or simply “impact”) – The impact of a component represents its ability to affect customers’ satisfaction and future behavior. Components with higher impacts have greater leverage on measures of satisfaction and behavior than those with lower impacts. Quantitatively, a component’s impact represents the amount of change in the Customer Satisfaction Index that would occur if that component’s score were to increase by 5 points.

Executive Summary

Executive Summary

Study Background

In 1999, the Department of Education was one of the first 30 “high impact” Federal agencies to participate in the American Customer Satisfaction Index (ACSI), and since then Federal Student Aid has undertaken several studies to assess and monitor customer satisfaction with its products and services. The 2003 study’s purpose is to continue to enhance Federal Student Aid’s efforts as a Performance-Based Organization (PBO) by:

- Measuring and quantifying customers’ overall Satisfaction with FSA, using measures comparable with the ACSI.
- Quantifying FSA’s performance levels in various service areas and the relative influence that each has upon customer Satisfaction.
- Benchmarking performance to Federal agencies, private companies, and prior studies.
- Identifying key areas for maintenance or improvement to sustain or increase levels of Satisfaction.
- Providing an assessment of how improvements will increase Satisfaction and drive positive performance outcomes.

Research Process

Four business areas within FSA were chosen for survey assessment: Direct Loan Servicing, FAFSA on the Web, Common Origination and Disbursement (COD), and LaRS. Questionnaires for each business area were developed based upon discussions with FSA staff from each business area, and upon CFI Group’s prior experiences working with FSA in 1999-2001 for surveys in the Students, Schools, and Financial Partners channels. With the exception of the LaRS study, all questionnaires were fielded by phone to a sample of customers drawn from lists provided by the FSA business areas. LaRS was initially to be fielded via the Internet, but low response rates in a test of the web data collection resulted in a decision to switch to phone interviews.

A third-party data collection company, PGM Incorporated of Orem, Utah, interviewed 250 customer for each of the business areas in July of 2003. When all the interviews were complete, the data were sent to CFI Group for analysis using the ACSI cause-and-effect methodology.

Executive Summary continued

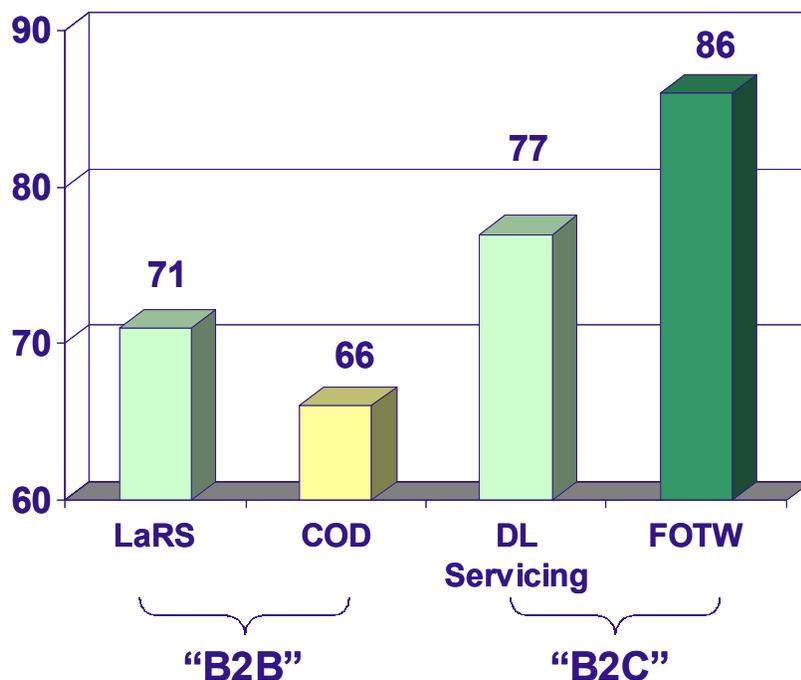
Customer Satisfaction Summary and Benchmarks

The ACSI methodology measures customer satisfaction with a weighted index of three survey questions: overall satisfaction, satisfaction compared to expectations, and satisfaction compared to “ideal” service. This **Customer Satisfaction Index (CSI)** is presented on a 0 to 100 scale, with 0 being the worst possible and 100 the best possible score. Note that the satisfaction score is not a percentage, i.e., a score of 70 does not mean that “70% of customers are satisfied” or that FSA has achieved “70% customer satisfaction.” Nor are the scores the equivalent of “grades” as on a high school math exam, where a 70 would connote C or D level performance. The table below shows in a rough sense what various CSI scores mean in terms of performance for both “business to consumer” (B2C) and “business to business” (B2B) contexts. CSI ratings tend to run approximately five points lower for products and services consumed by businesses.

B2C	B2B	Description	Example
Below 60	Below 55	Remedial	Some Cable TV, IRS Paper Filers
60-69	55-64	Fair	Health Insurance, AOL
70-79	65-74	Good	Financial Services, Telcos
80-89	75-84	Excellent	UPS, Amazon.com, Mercedes
90-100	85-100	Hypothetical	None currently measured

Satisfaction index scores for the four measured business areas appear in Figure 1. Generally, FSA scores well on customer satisfaction in the 2003 surveys. Note that while LaRS and COD score lower than Direct Loan Servicing and FAFSA on the Web, this is to be expected since they are essentially B2B services.

*Figure 1: FSA Customer Satisfaction Scores
by Business Area*



Executive Summary continued

Because the FSA business areas are measured with the ACSI index and methodology, a wide variety of private- and public-sector scores are available to benchmark their performance and provide additional context for the survey results.

Figure 2a: 2003 Federal Government ACSI Benchmarks

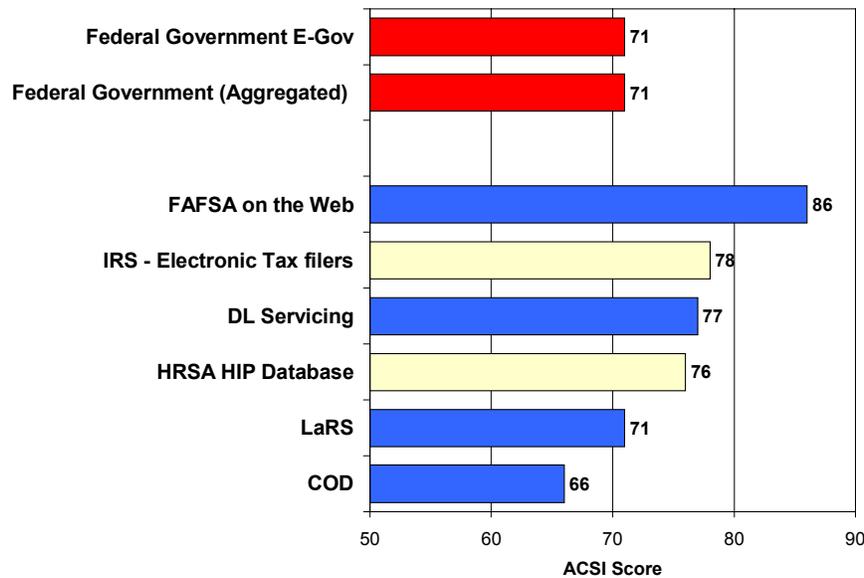
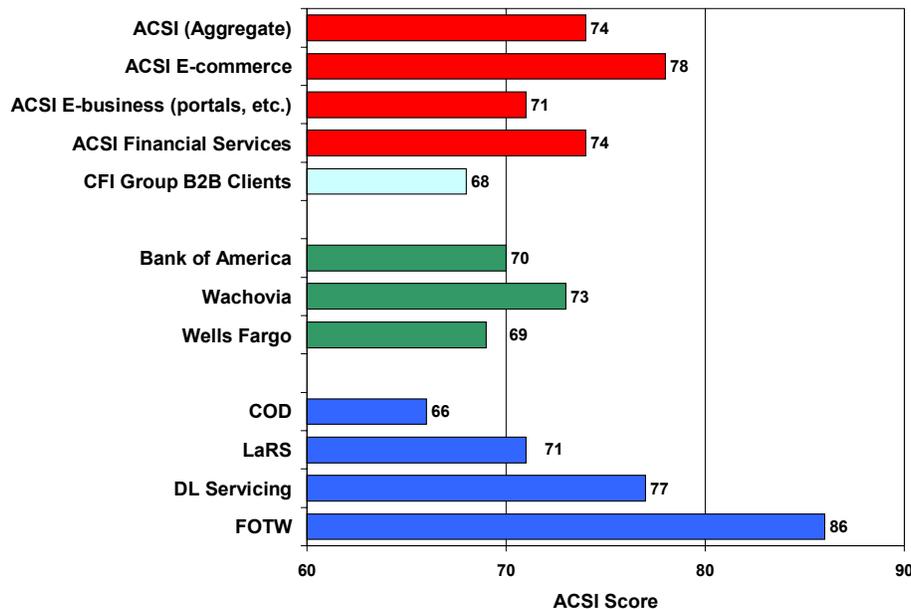


Figure 2a shows benchmark ACSI scores for all measured Federal government services, for the September 2003 ACSI “E-gov” index of Federal government web sites, as well as for taxpayers who filed electronically with the IRS and administrators who use the Health Resources and Services Administration’s HIP database of physicians’ licensing credentials. FSA’s business areas compare well to these scores, though COD shows the most potential for improvement. Figure 2b compares

Figure 2b: Private Sector ACSI Benchmarks (2003)



Executive Summary continued

FSA to private sector ACSI scores, including indices for E-commerce, E-business, and Financial Services, and to commercial retail banks. It also includes an index of satisfaction scores from CFI Group's private client B2B studies.

Generally the news for FSA is good. FAFSA on the Web shows extremely strong performance; its current CSI of 86 is only two points lower than that of Amazon.com, which has the highest ACSI score of any company measured (88). Direct Loan Servicing scores better than the ACSI index of financial services and better than retail banks. LaRS and COD, while scoring lower, both compare favorably to the CFI Group index of B2B clients.

There is certainly room for improvement in all the FSA business areas, with the possible exception of FAFSA on the Web, where the challenge will be to maintain high ratings. However, to the extent that FSA chooses to engage in improvement initiatives in any of these areas, it may do so with the knowledge that it will be starting from a position of strength.

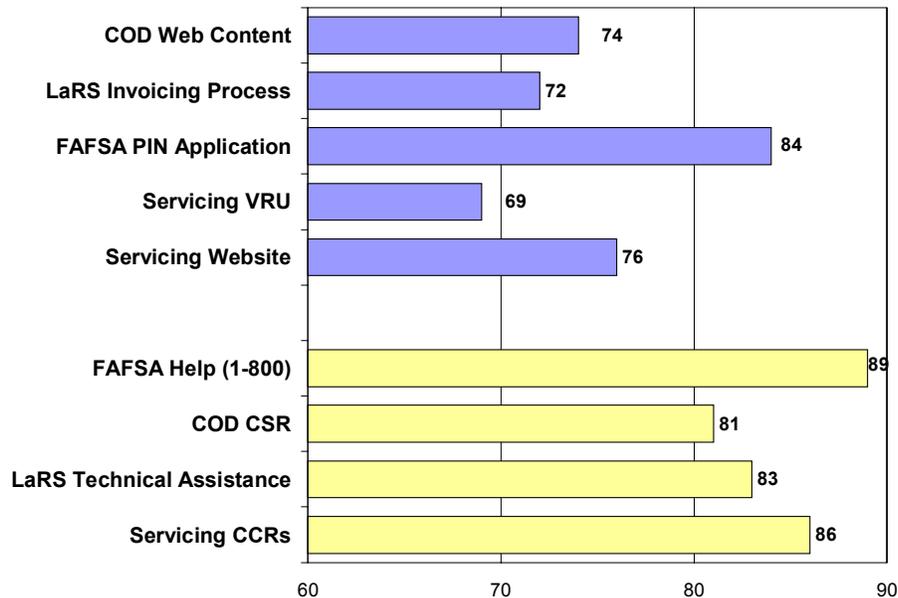
Executive Summary continued

General Findings

Specific conclusions and recommendations for each business area follow in this report. However, an examination of the business area results reveals some common themes that may speak to FSA's situation more broadly.

Generally speaking, the drivers of customer satisfaction for each of the business areas may be divided into two broad categories, technology and personnel. While typically all the drivers of customer satisfaction in the business area satisfaction models score well, FSA's customer-facing personnel (both on-staff and contractors) exhibit particular strength. Figure 3 compares several model components from each of the business areas, divided into groups related to technology and personnel.

Figure 3: Technology and Personnel Component Scores



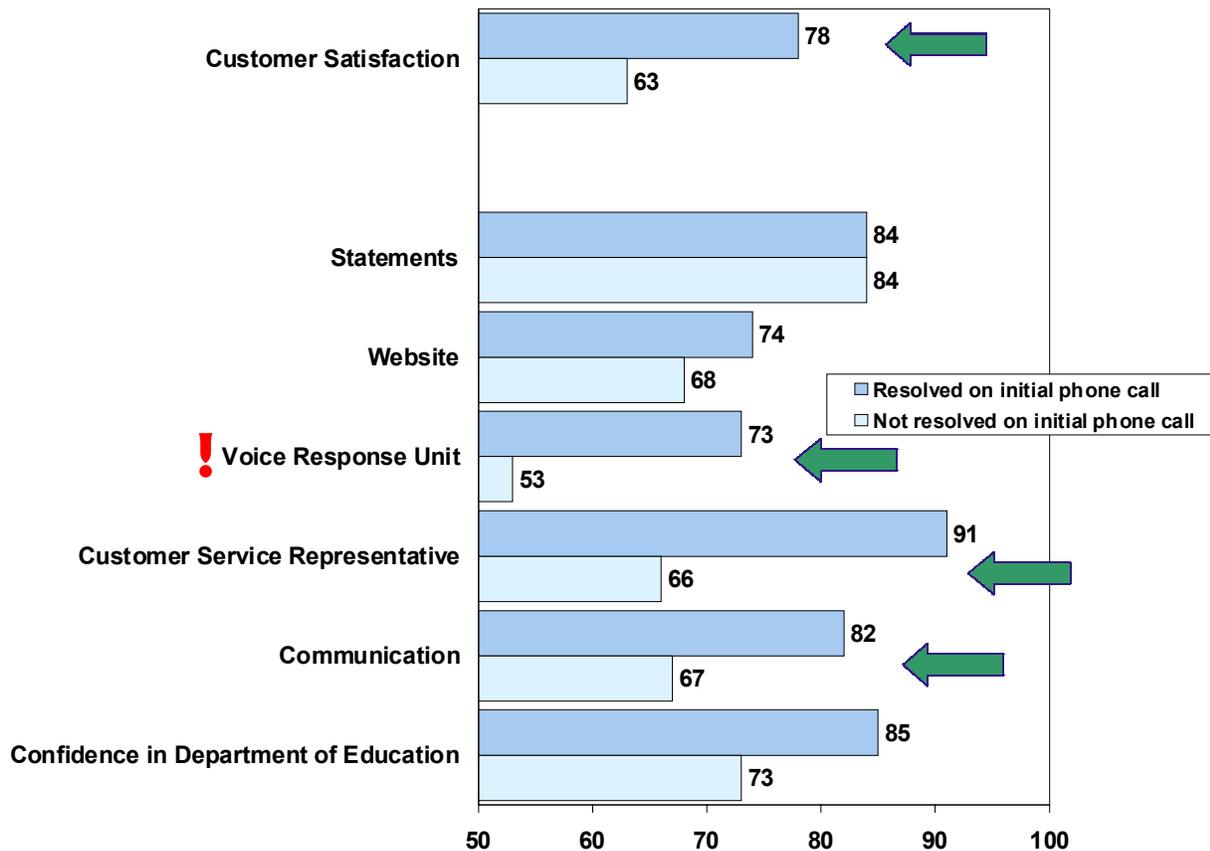
All the business areas surveyed in this study have made significant investments in technologies designed to foster customer “self-service,” such as the LaRS and COD web-based processes, the ed.dl.gov website for DL Servicing, on-line help for FAFSA on the web, and Voice-Response Units for call centers. These self-service solutions have tremendous potential to save money and reduce other demands on the organizations’ resources. But as Figure 3 shows, they may not yet be as effective at providing a satisfying experience for customers as human interactions now are. Furthermore, in the short term these technologies can create new demands on the organization, as customers seek support while getting used to them.

For this reason, the human touchpoints customers have with FSA are crucial in realizing the full potential of self-service technologies. FSA's people can “hand-hold” customers through the adoption process, redeem instances of customer dissatisfaction, and give customers the confidence that they can get help if need be, increasing their willingness to try new technologies. One significant implication is that investment in these self-service technologies requires continued support of “human” interactions with users to drive adoption and satisfy the customer base. The good news for FSA is that its people are already doing a good job in customers’ eyes. To the extent that FSA can leverage the strength of these human resources it will meet with an even greater return on its technology investments over time.

Executive Summary continued

One example of this general finding comes from the DL Servicing survey analysis. Figure 4 presents a comparison of model component and satisfaction scores for survey respondents who called the DL Servicing 800 number and reported that their concern was resolved on the first call vs. those who said it was not. Those whose concern was not resolved on the first call score dramatically lower on several model components, satisfaction, and confidence in DL Servicing (statistically significant differences at the 90% confidence level are noted with arrows). Of particular

Figure 4: Score Comparison -First-call Resolution vs. Not



note is that first-call resolution resulted in dramatically higher scores for the Voice Response Unit (VRU) customers had to navigate before reaching a Customer Service Representative. In fact, the VRU score among those who received first-call resolution is higher than among those who did not call the 800 at all. This implies that strong customer service actually can lead to a positive resolution of a potentially poor customer self-service experience.

This is just one example of several in this report where human interaction with customers serves to take some of the rough edges off the deployment of self-service technologies, and help to realize their potential to provide satisfying customer experiences.

Executive Summary continued

General Recommendations

General recommendations for FSA based on the specific survey results for each business area include the following:

Technology - Adopt Continuous Improvement Efforts

In most of the business areas, FSA's technologies for customer self-service are relatively high-priority for improvement in terms of their potential to drive improvements in customer satisfaction. However, major re-engineering or redesign of these systems is not required to achieve improvements. Customer feedback such as that provided in these surveys (and by other formal and informal means) should be sufficient to identify specific processes and capabilities which may be improved on an ongoing basis to increase customer satisfaction.

Personnel - Maintain High Levels of Performance

As noted above, customer-facing personnel are a major strength for FSA as it seeks to realize the best possible return on its technology investments. For this reason investments in technology must continue to be carefully balanced with investments in the people who help customers use it. FSA should consider sharing the results of this study with customer-facing personnel by way of congratulating them on a job well done, and helping them to understand their importance to the success of FSA's initiatives.

Customers - Maintain Open Communications

FSA should also consider sharing results of this study and any action plans arising from them with its customers. This can be a valuable means of maintaining a dialogue with customers to understand what they need and want from FSA, and help to set their expectations about what to expect as a result of the survey effort.

Direct Loan Servicing

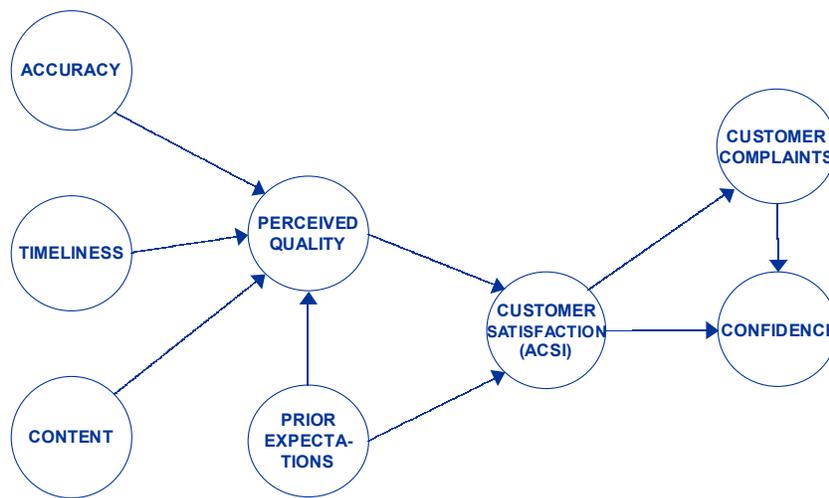
Research Summary

Research Process

The project began with development of the 2003 DL Servicing questionnaire, which drew upon prior research last conducted in 2001 and a series of teleconferences with DL Servicing staff. The 2003 survey and satisfaction model resulting from this process significantly expanded the number of components of customer satisfaction from the 2001 research.

The 2001 survey focused exclusively on customer ratings of the statements provided by DL Servicing (see Figure 1 below).

Figure 1: 2001 DL Servicing (Statements) Satisfaction Model



For the 2003 survey, these items were combined into a single **Statements** component alongside several new components (Figure 2, next page), including:

- DL Servicing’s **Website** (dl.ed.gov)
- The **Voice Response Unit (VRUs)** customers reach when calling the 800 number for assistance
- **Customer Service Representatives** they spoke to (if applicable), and
- **Communications** sent by DL Servicing other than the statements.

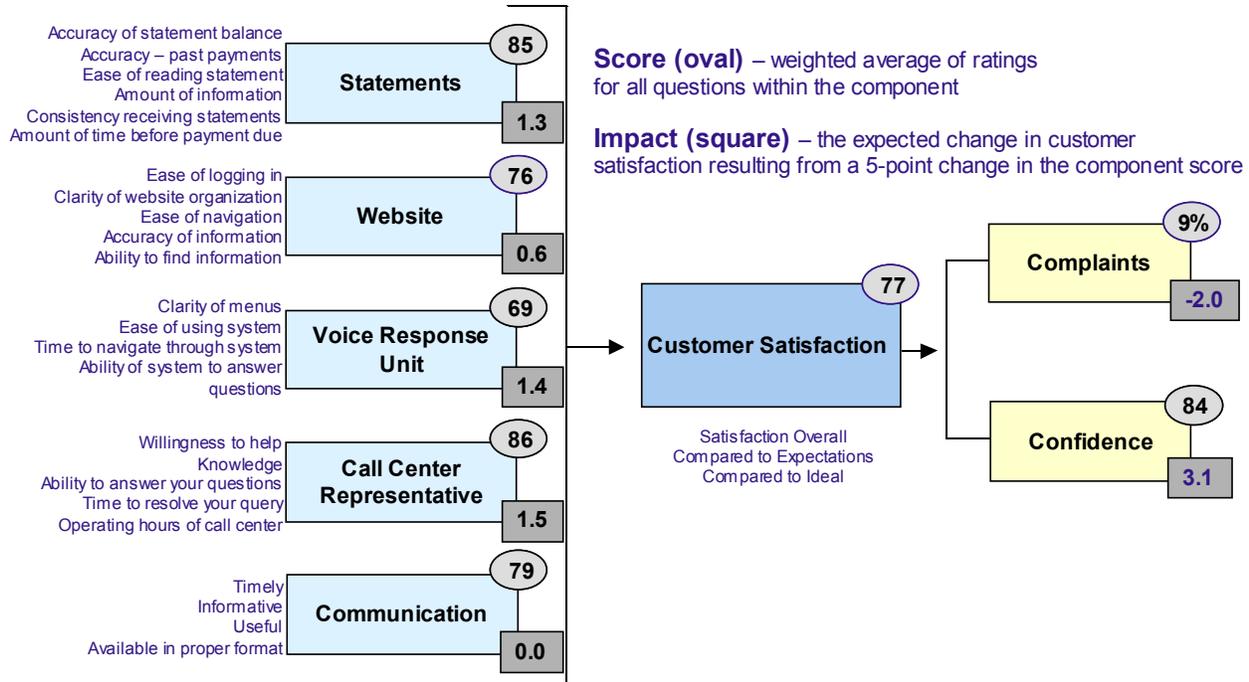
A third-party data collection company, PGM Incorporated of Orem, Utah interviewed 250 DL Servicing customers by phone in July of 2003. The respondents were selected at random from a sample list provided by DL Servicing. The list included only those customers who have been in repayment for a year or more, and all respondents confirmed that they had seen the new statements since their introduction in March of 2003. No deferment, collections or forbearance customers were interviewed for this study.

When all the interviews were complete, the data were sent to CFI Group for analysis using the American Customer Satisfaction Index cause-and-effect methodology. Results of that analysis follow.

Research Summary continued

Model Results

Figure 2: 2003 Direct Loan Servicing Satisfaction Model



The figure above shows the complete satisfaction model for DL Servicing customers. This is a “cause-and-effect” model where the components of the customer experience (**Statements**, the **VRU**, the **Website**, etc.) influence the **Customer Satisfaction Index (CSI)**, which in turn drives changes in customer behaviors like **Complaints**, and attitudes such as their **Confidence** that their loan is being serviced accurately. Each component is made up of a group of questions from the survey related to a particular area; for example, the **VRU** component is comprised of questions asking respondents to rate the VRU’s “Ability to answer your questions”, “Clarity of menus” and so on. Note that the Customer Satisfaction index is measured independently of the quality components with three survey questions (overall satisfaction, satisfaction compared to expectations, and satisfaction compared to an “ideal”); it is not an average or an index of the scores for the model components themselves.

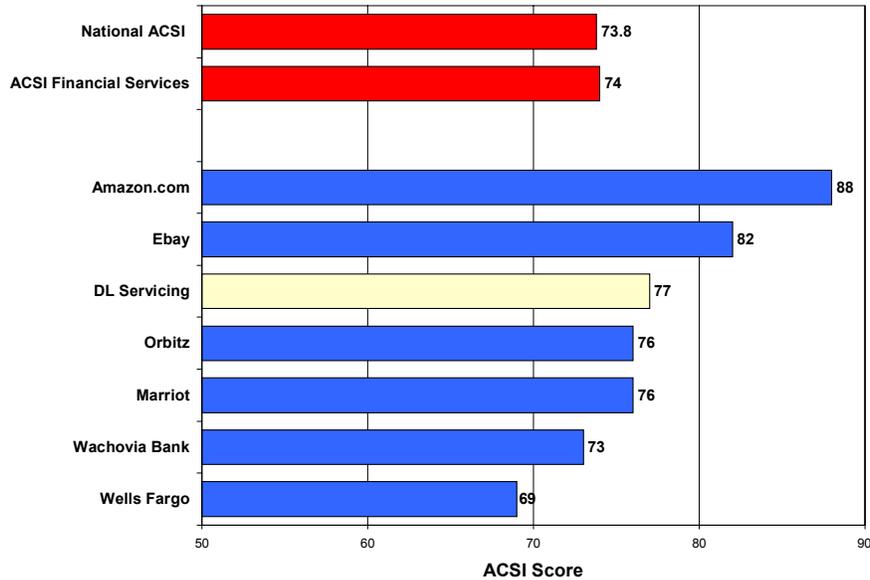
Improvements in any of the left hand side components will have a positive influence on customer satisfaction. These can be quantified by the component’s **impact**, which represents the amount by which satisfaction would increase if a component were to improve by 5 points. For example, if **Statements** were to improve from 85 to 90, **Customer Satisfaction** would improve by 1.3 points (from 77 to 78.3), the amount of the impact of **Statements** on the CSI. Impacts represent the *independent* effect of each quality component on the CSI (i.e, the effect with “all else being equal”), and are also *additive* - that is, improvements in several components will cause the CSI to go up by the sum of their impacts.

Likewise, If customers’ Satisfaction were to rise 5 points, the model predicts that the scores for **Complaints** and **Confidence** would change by the amount of their impacts (-2.0 and 3.1, respectively). Note that in the case of **Complaints** the impact value is negative; this implies that as customers become more satisfied, the number of complaints will decrease. The impact logic also operates on the downside: decreased levels of performance on any component will lead to lower satisfaction scores commensurate with their impacts.

Research Summary continued

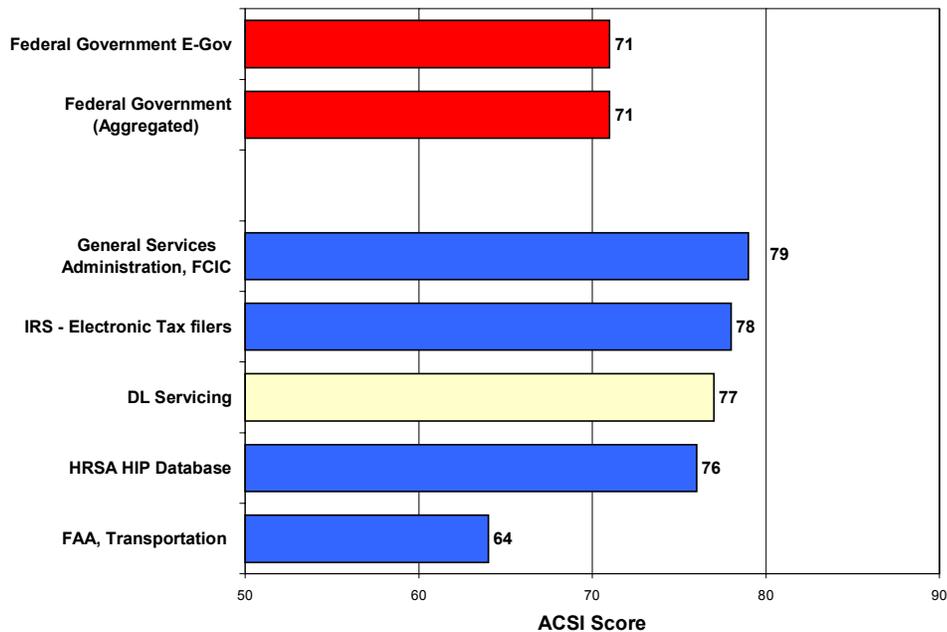
Satisfaction Benchmarks

Figure 3a: 2003 Private Sector ACSI Benchmark Scores



The current satisfaction score for DL Servicing of 77 is quite good and compares favorably to other companies and organizations measured in the American Customer Satisfaction Index (ACSI), in both the private and the public sector. Presently DL Servicing scores better than the national aggregate ACSI (Fig. 3a), the Federal Government aggregate, and many Federal government websites measured in the September 2003 “E-gov” ACSI index (Fig. 3b). DL Servicing also outscores private-sector financial services and retail banks measured in the ACSI (Fig. 3a). While there is room for continued improvement, DL Servicing can be very pleased with the level of satisfaction among its customers.

Figure 3b: 2003 Public Sector ACSI Benchmark Scores



Research Summary continued

Score Comparisons to 2001

Statement Attributes

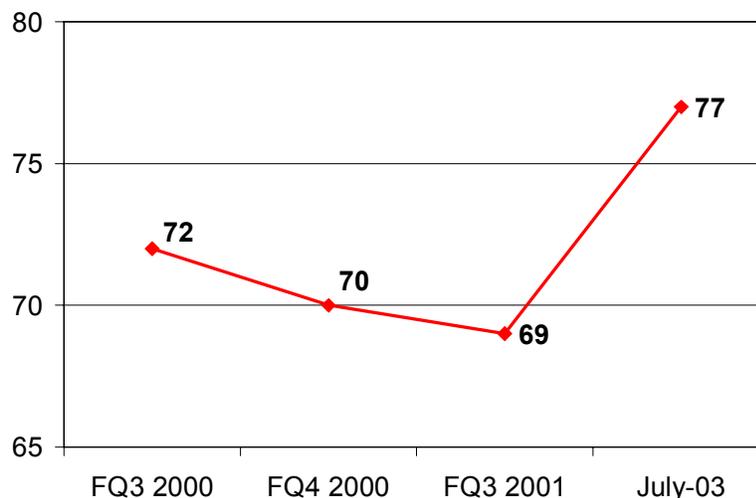
	2003	2001
Accuracy of the statement balance	89	81
Accuracy of information about past payments	87	80
Ease of reading the statement	84	82
Amount of information provided on the statement	83	75
Consistency in when you receive statements	86	84
Amount of time given before payments are due	81	76

Because the attributes used to measure the quality of DL Servicing's statements are consistent in the 2003 survey from the 2001 survey, these scores are directly comparable. The results from this year's survey indicate that the new statements first released in March 2003 appear to meet with the approval of DL Servicing customers. Scores for every attribute are up, with all but two showing a statistically significant increase at the 90% level of confidence (indicated above by circles).

Customer Satisfaction Index

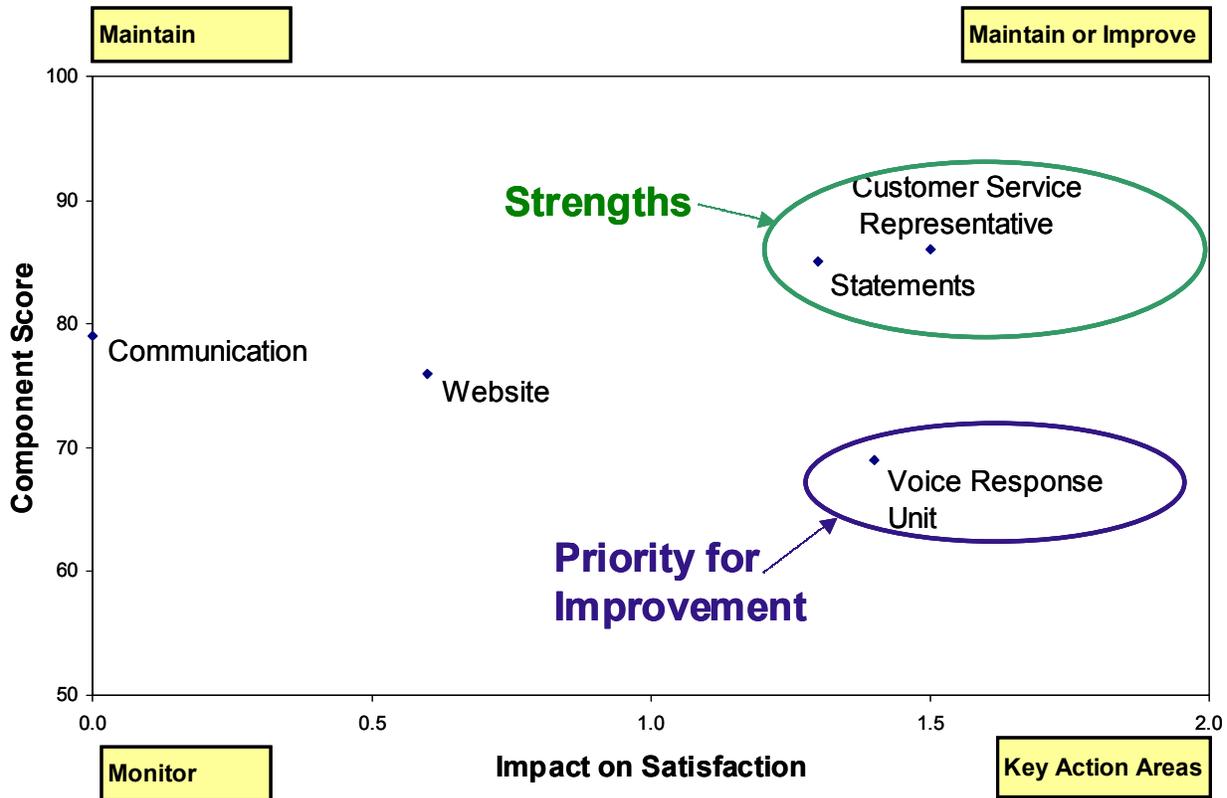
The three questions used this year for the **Customer Satisfaction** index - overall satisfaction, satisfaction compared to expectations, and satisfaction compared to an "ideal" loan repayment process - are also consistent with those used in previous DL Servicing surveys. In the two years since the last survey in Fiscal Quarter Three 2001, DL Servicing posted large and statistically significant improvement of 8 points in the CSI.

Figure 4: Direct Loan Servicing CSI 2000-2003



Research Summary continued

Improvement Priorities



The diagram above combines the score and impact information from the satisfaction model analysis to provide guidance about where to focus efforts to improve satisfaction. Generally speaking, those components with relatively high impact and relatively low score (falling to the lower right side of the diagram) should be the highest priority for improvement. Those with higher scores and lower impacts (in the upper left hand quadrant of the diagram) should be the lowest priority.

While the diagram provides information about where to focus improvement efforts first, this does not mean that lower-priority areas are not *important*. Large changes in performance levels on any component (e.g., 10 points or more, either up or down) will likely affect the customer satisfaction score, even if the component(s) in question have an impact of 0.0. Also, changes or improvements in lower-priority components may help to support efforts to improve higher-priority components. The **Communication** component is an example of this. While customers will likely not respond to improvements in the DL Servicing's communications *per se*, these communications may be used to call customers' attention to improvements made in high impact areas like the **VRU**.

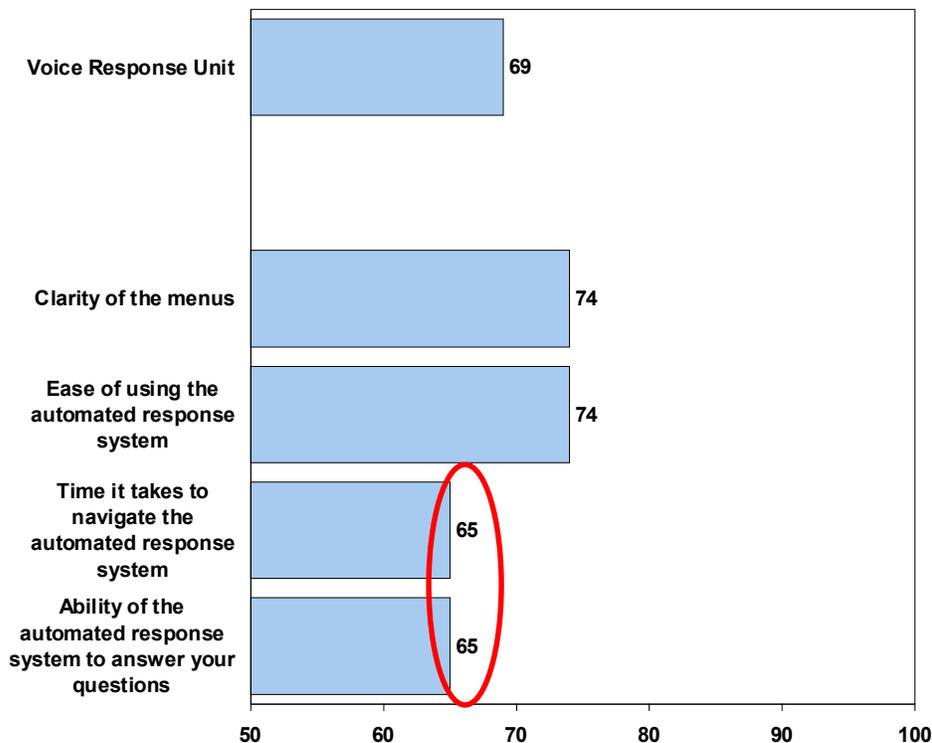
Two of the high-impact components for DL Servicing, **Customer Service Representatives** and **Statements**, are also areas of strength, as indicated by their relatively high scores. While improving scores for these areas would likely be difficult (and therefore perhaps not worth the investment), DL Servicing should maintain current levels of performance, since any drop-off would have a large negative impact on Satisfaction.

The area which may present the best opportunity to drive improvements in satisfaction is the **VRU**. The VRU presently has both a relatively high impact and scores lower than any other

Research Summary continued

component in the satisfaction model. Examination of the scores on the attributes making up the VRU component reveals that customers are particularly frustrated with the time it takes to navigate the menus, and the system's ability (or lack thereof) to provide answers to their questions (Figure 5).

Figure 5: VRU Component and Attribute Detail

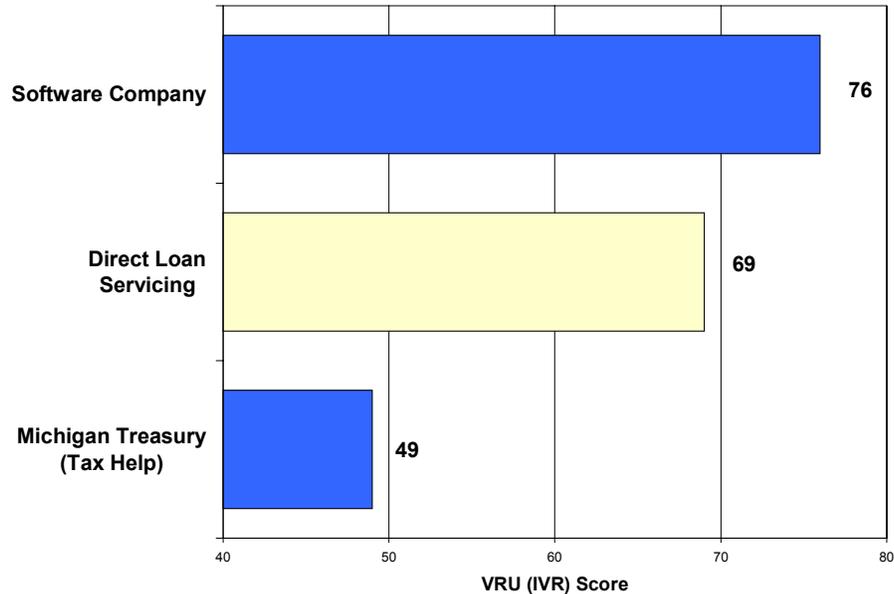


VRUs generally speaking are not typically well-rated by customers, whatever the application or industry. Figure 6 (facing page) presents some benchmarks for VRU component scores from two CFI Group clients: a major software company and the State of Michigan Treasury's Tax Help line. Typically, scores for VRUs range from near 50 to the high 60s. A common complaint about VRUs was summarized well by one DL Servicing customer on this survey, who said simply, "Get rid of the automated phone system. I would prefer to talk to people."

Though challenging, it is possible to deploy VRU technology in ways that result in improved customer satisfaction. Indeed, DL Servicing's VRU gets reasonably good marks from customers for the clarity of its menus and general ease of use. As improvement initiatives are considered, however, an important consideration is to balance the need for improvements to the VRU structure and content with the need for a large degree of consistency. Customers who are frequent users of the VRU and are familiar with its structure and content could become frustrated if frequent changes make it harder for them get what they need quickly. In this case, "improvements" to the VRU may actually be a source of *dissatisfaction*, at least until users become acquainted with the changes.

Research Summary continued

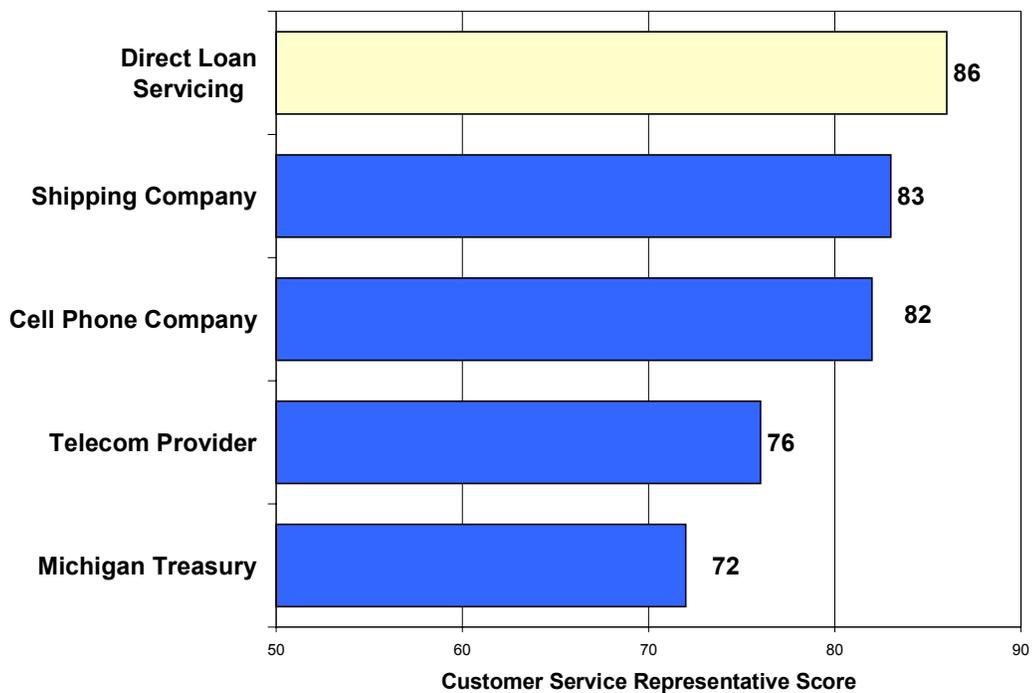
Figure 6: VRU Component Benchmarks (CFI Group clients)



Building on Strengths

As noted above, in addition to the new and improved **Statements**, DL Servicing has a key area of strength in its **Customer Service Representatives**. Figure 7 benchmarks Servicing's CSRs against several other CFI Group clients, and demonstrates that their performance is truly world-class.

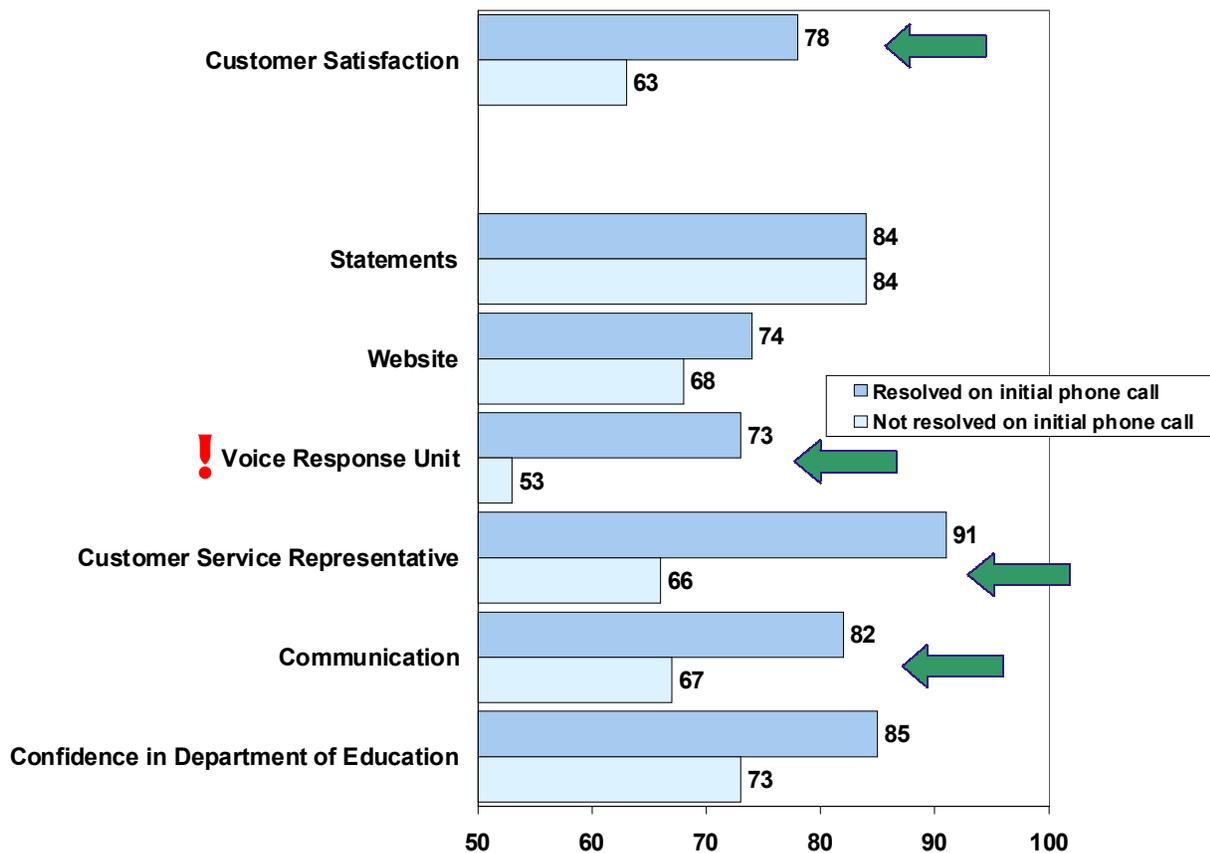
Figure 7: Customer Service Representative Benchmarks (CFI Group clients)



Research Summary continued

However, closer examination of the data reveals both an important caveat and an opportunity for DL Servicing to leverage these human touchpoints with its customers to improve satisfaction. Figure 8 below compares the scores of survey respondents who called the Servicing 800 number and reported that their concern was resolved on the first call vs. those who said it was not. Those whose concern was not resolved on the first call score dramatically lower on several model components, satisfaction, and confidence in DL Servicing (statistically significant differences at the 90% confidence level are noted with arrows).

Figure 8: Score Comparison -First-call Resolution vs. Not



By the same token, those whose concern was resolved on the first call scored better; in the case of the Voice Response Unit, fully 20 points better. Furthermore, those who reported first-call resolution had a higher VRU score (73) than respondents to the survey in the aggregate gave the VRU (69). These results suggest that first-call resolution of concerns serves not only to stave off bad ratings from customers, but also can help to redeem weak performance in other service areas such as the VRU. There are of course many instances where first-call resolution will not be feasible or even possible if “first call” means “while the customer is on the line.” In such cases, “one-call” resolution, where the customer calls once, understands what the resolution will be, what follow-up to expect, etc. would be another powerful tactic for DL Servicing to leverage the strength of its Customer Service Representatives to drive customer satisfaction.

Another potential area of strength for Servicing is the Direct Loan website dl.ed.gov. In the survey 28% of the respondents reported that they had visited the site, and encouragingly they not

Research Summary continued

only gave the site a solid overall rating of 76 but most also said that it compares favorably to other web sites they have visited. Figure 9 shows that the proportion of respondents who visited the website and said that it was better than or about the same as other sites totals 84%.

Figure 9

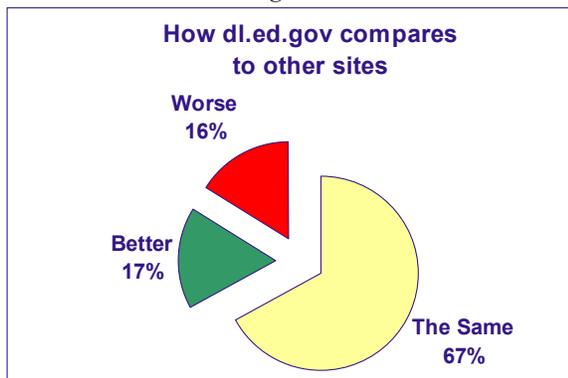


Figure 9 shows that the proportion of respondents who visited the website and said that it was better than or about the same as other sites totals 84%.

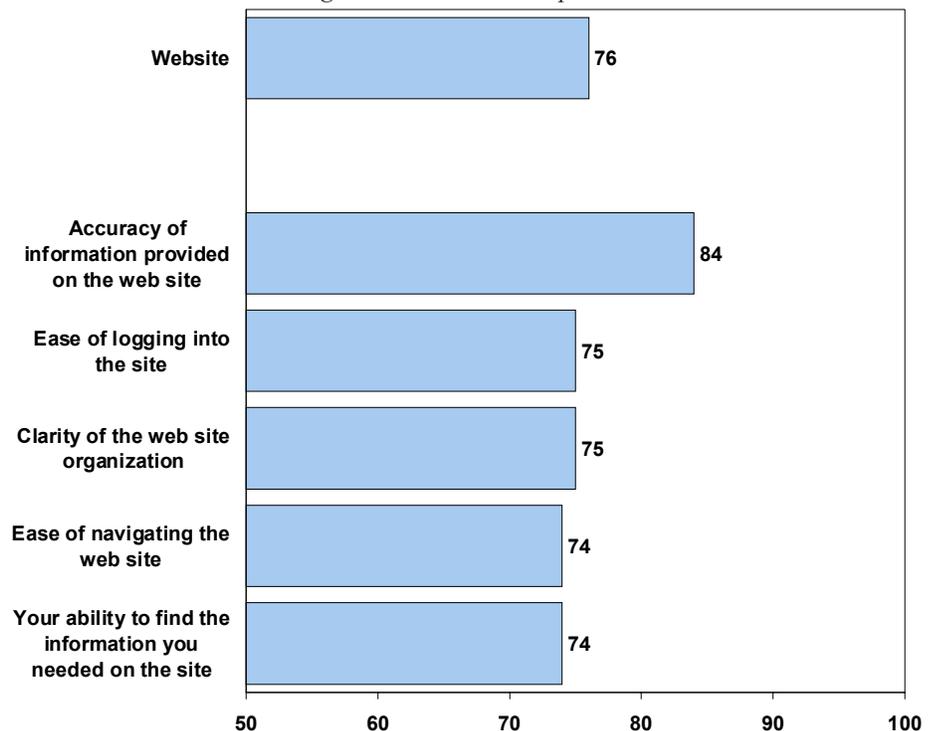
In the satisfaction model, the DL Servicing website has an impact of 0.6, which suggests that while it is not a major driver of satisfaction at present, customers do have an awareness of the site and may respond to continued efforts enhance the site's functionality and content.

Scores on the individual attributes comprising the website component show that the key areas for improvement are those related to ease of use, navigation and the like, rather than the accuracy of the information available on the site (Figure 10).

The survey data reveal another reason why improvement to the website may be desirable, which is that while the site is designed to encourage customer "self-service," website use paradoxically may *increase* the volume of traffic to the 800 number, at least in the short term as customers grow acquainted with it. 62% of respondents who had visited the site reported having also called the 800 number, compared to 46% in the survey sample as a whole. These figures suggest that as more customers begin to experiment with using the Website for self-service,

more pressure (in terms of call volumes) is likely to fall on the 800 number and the Customer Service Representatives. With increased call volumes will come increased pressures to provide first-call or one-call concern resolution to address the potential pitfalls noted above. Improvements to the website may help mitigate some of these potential challenges.

Figure 10: Website Component and Attribute Detail



Conclusions & Recommendations

General Conclusions

DL Servicing is presently doing a very good job serving its customers, as indicated by its satisfaction score of 77 and the high scores on many of the model components. Customers also express a great deal of confidence that DL Servicing is servicing their loan accounts accurately. High scores for drivers of satisfaction such as the Statements and the Call Center Representatives demonstrate real strength in DL Servicing's efforts to provide high-quality service to its customers. These areas will be a tremendous asset to DL Servicing as it encourages its customers to make the most of its self-service technologies such as the Voice Response Unit and the Website at dl.ed.gov.

The results discussed above point to a key customer service issue for DL Servicing as it deploys these technologies. While they have tremendous potential to reduce costs and other demands on the resources of the organization, at the same time they can create new demands and new costs, particularly in the short term as customers get used to them.

In this context, the human touchpoints between DL Servicing and its customers (primarily the Customer Service Representatives) play an important role in realizing the full potential of the newer self-service technologies. Customer-facing personnel support the adoption and success of self-service by:

- “Hand-holding” customers through the process of using new technologies,
- Redeeming instances of customer dissatisfaction due to negative experiences (as with first-call resolution making up for frustration with the VRU), and
- Giving customers confidence that in the worst case scenario, there is a human being they can reach to resolve any issues, increasing their willingness to try new technologies.

The broader implication is that the introduction of new technologies for customer self-service may require continued or additional investment and effort in “human” interactions to maintain a satisfied customer base.

Recommendations

The survey results point to several general recommendations to help DL Servicing maintain or improve customer satisfaction. The recommendations are arranged by component in the order of their potential for driving increased customer satisfaction.

Voice Response Unit - High Priority for Improvement

DL Servicing should strongly consider improvements to the VRU by:

- Exploring ways to modify the structure of the VRU “branches” to reduce the total amount of time customers must spend navigating the system to find what they want.
- Re-assessing the informational content of the VRU and its alignment to issues customers are concerned about. To take a simplistic example, if most customers are calling to get their loan balance, this information should be readily available in the VRU.

Conclusions & Recommendations continued

One way to address both of the above is to perform occasional analyses of the issues that customers end up bringing to live Customer Service Representatives. Improvement initiatives can be focused around those areas where customers are asking the CSRs for information that is available in the VRU, or where there is a recurring issue brought to the CSRs that is not addressed in the VRU.

As mentioned above, improvement-oriented changes to the VRU ideally should be carefully balanced with the need to have a certain degree of consistency in its structure and content to avoid potential customer confusion and dissatisfaction.

Customer Service Representatives - Maintain High Performance

The Customer Service Representatives have the potential to drive customer satisfaction and the best possible customer utilization of self-service technologies. To realize this potential, DL Servicing should consider the following steps:

- Resource the call centers to maintain (or even improve) current service levels in terms of staffing, training, and technology.
- Emphasize “first call” or “one-call” resolution of customer concerns, and identify and address the issues where this is less common.
- Develop call center scripts and practices to support and empower customers to use self-service technologies effectively, particularly for the Website, with a focus on the most frequently encountered issues.

Website - Continue Refinements to Maximize Potential

The full potential of dl.ed.gov will be realized to the extent that DL Servicing drives more traffic to the site and adopts improvement initiatives to maximize its utility and appeal to customers. To accomplish these goals, DL Servicing may consider:

- Developing customer communications highlighting the web services provided - particularly the availability of the on-line tutorial.
- Continuing to improve the navigation and usability of the website. One area frequently mentioned in customer verbatim comments was the login and PIN processes, which many customers found cumbersome. This would be a particularly good area to address first, since customers dissatisfied with the login and PIN process may give up on the website altogether without experiencing the other benefits of the site.

There are a variety of tools and metrics available to assess website usability and effectiveness, ranging from “off the shelf” software to full consulting engagements which DL Servicing may wish to explore. DL Servicing should also consider benchmarking best web practices with other public-sector and private-sector organizations. The results of the September 2003 ACSI “E-gov” website measurement studies (available at www.theacsi.org) may be useful for identifying the best-performing government sites. These organizations could then be contacted for information on their most effective practices.

Score Detail and Segmentation

Aggregate (all respondents)

Customer Satisfaction	77
Overall satisfaction	83
Meet your expectations	72
Ideal relationship	75
Statements	85
Accuracy of the statement balance	89
Accuracy of information about past payments	87
Ease of reading the statement	84
Amount of information provided on the statement	83
Consistency in when you receive statements	86
Amount of time given before payments are due	81
Website	76
Ease of logging into the site	75
Clarity of the web site organization	75
Ease of navigating the website	74
Accuracy of information provided on the website	84
Your ability to find the information you needed on the site	74
Voice Response Unit	69
Clarity of the menus	74
Ease of using the automated response system	74
Time it takes to navigate the automated response system	65
Ability of the automated response system to answer your questions	65
Customer Service Representative	86
Representative's willingness to help	90
Knowledge of the representative	87
Ability of the representative to answer your questions	86
Time it took to resolve your query	83
Operating hours of the service center	87
Communication	79
Timely	79
Informative	80
Useful	78
Available in the proper amount	80
Confidence in Department of Education	84
Confidence that the Department of Education is accurately servicing your loan	84
Complained about Direct Loan repayment process (percent)	9
Complained about any aspect of the Direct Loan repayment process	9

Sample Size

250

Score Detail and Segmentation continued

Complaints

	Complained in past 6 months	Have not complained in past 6 months	Significant Difference (90% conf.level)
Customer Satisfaction	58	79	Yes
Overall satisfaction	62	85	Yes
Meet your expectations	57	73	Yes
Ideal relationship	55	77	Yes
Statements	74	86	Yes
Accuracy of the statement balance	77	91	Yes
Accuracy of information about past payments	73	88	Yes
Ease of reading the statement	80	84	
Amount of information provided on the statement	77	84	
Consistency in when you receive statements	70	87	Yes
Amount of time given before payments are due	67	83	Yes
Website	63	77	
Ease of logging into the site	67	76	
Clarity of the website organization	60	77	
Ease of navigating the website	63	76	
Accuracy of information provided on the website	65	86	
Your ability to find the information you needed on the site	59	75	
Voice Response Unit	55	72	Yes
Clarity of the menus	62	76	Yes
Ease of using the automated response system	59	77	Yes
Time it takes to navigate the automated response system	48	68	Yes
Ability of the automated response system to answer your questions	51	67	Yes
Customer Service Representative	72	89	Yes
Representative's willingness to help	83	91	
Knowledge of the representative	72	90	Yes
Ability of the representative to answer your questions	72	89	Yes
Time it took to resolve your query	56	88	Yes
Operating hours of the service center	83	87	
Communication	67	80	Yes
Timely	67	80	Yes
Informative	69	81	Yes
Useful	68	79	
Available in the proper amount	66	82	Yes
Confidence in Department of Education	68	85	Yes
Confidence that the Department of Education is accurately servicing your loan	68	85	Yes
Complained about Direct Loan repayment process (percent)	100	--	
Complained about any aspect of the Direct Loan repayment process	100	--	
Sample Size	22	227	

Score Detail and Segmentation continued

Direct Loan 800 number

	Called Direct Loan Servicing 800 number in past 12 months	Have not called Direct Loan Servicing 800 number in past 12	Significant Difference (90% conf. level)
Customer Satisfaction	75	79	
Overall satisfaction	81	85	
Meet your expectations	70	73	
Ideal relationship	72	77	Yes
Statements	84	86	
Accuracy of the statement balance	87	92	Yes
Accuracy of information about past payments	86	87	
Ease of reading the statement	82	85	
Amount of information provided on the statement	83	84	
Consistency in when you receive statements	84	87	
Amount of time given before payments are due	81	82	
Website	73	80	
Ease of logging into the site	73	78	
Clarity of the website organization	72	79	
Ease of navigating the website	73	77	
Accuracy of information provided on the website	79	91	Yes
Your ability to find the information you needed on the site	70	81	Yes
Voice Response Unit	69	--	
Clarity of the menus	74	--	
Ease of using the automated response system	74	--	
Time it takes to navigate the automated response system	65	--	
Ability of the automated response system to answer your questions	65	--	
Customer Service Representative	86	--	
Representative's willingness to help	90	--	
Knowledge of the representative	87	--	
Ability of the representative to answer your questions	86	--	
Time it took to resolve your query	83	--	
Operating hours of the service center	87	--	
Communication	79	79	
Timely	79	79	
Informative	79	80	
Useful	77	78	
Available in the proper amount	79	80	
Confidence in Department of Education	82	85	
Confidence that the Department of Education is accurately servicing your loan	82	85	
Complained about Direct Loan repayment process (percent)	17	2	Yes
Complained about any aspect of the Direct Loan repayment process	17	2	Yes
Sample Size	116	131	

Score Detail and Segmentation continued

Customer Service Representatives

	Spoke with a customer service representative	Did not speak with a customer service representative	Significant Difference (90% conf. level)
Customer Satisfaction	75	76	
Overall satisfaction	81	93	
Meet your expectations	71	56	
Ideal relationship	72	74	
Statements	84	85	
Accuracy of the statement balance	87	85	
Accuracy of information about past payments	86	93	
Ease of reading the statement	82	93	
Amount of information provided on the statement	83	81	
Consistency in when you receive statements	84	93	
Amount of time given before payments are due	81	67	
Website	73	--	
Ease of logging into the site	73	--	
Clarity of the website organization	72	--	
Ease of navigating the website	73	--	
Accuracy of information provided on the website	79	--	
Your ability to find the information you needed on the site	70	--	
Voice Response Unit	69	68	
Clarity of the menus	74	74	
Ease of using the automated response system	74	72	
Time it takes to navigate the automated response system	65	59	
Ability of the automated response system to answer your questions	65	63	
Customer Service Representative	86	--	
Representative's willingness to help	90	--	
Knowledge of the representative	87	--	
Ability of the representative to answer your questions	86	--	
Time it took to resolve your query	83	--	
Operating hours of the service center	87	--	
Communication	79	76	
Timely	79	56	
Informative	79	89	
Useful	77	83	
Available in the proper amount	80	72	
Confidence in Department of Education	83	74	
Confidence that the Department of Education is accurately servicing your loan	83	74	
Complained about Direct Loan repayment process (percent)	16	33	
Complained about any aspect of the Direct Loan repayment process	16	33	
Sample Size	113	3	

Score Detail and Segmentation continued

Problem Resolution

	Resolved on initial phone call	Not resolved on initial phone call	Significant Difference
Customer Satisfaction	78	63	Yes
Overall satisfaction	83	69	Yes
Meet your expectations	73	59	Yes
Ideal relationship	75	60	Yes
Statements	84	84	
Accuracy of the statement balance	87	89	
Accuracy of information about past payments	87	81	
Ease of reading the statement	82	83	
Amount of information provided on the statement	82	86	
Consistency in when you receive statements	84	81	
Amount of time given before payments are due	81	82	
Website	74	68	
Ease of logging into the site	73	74	
Clarity of the website organization	75	64	
Ease of navigating the website	75	64	
Accuracy of information provided on the website	81	71	
Your ability to find the information you needed on the site	70	67	
Voice Response Unit	73	53	Yes
Clarity of the menus	77	59	Yes
Ease of using the automated response system	78	56	Yes
Time it takes to navigate the automated response system	69	48	Yes
Ability of the automated response system to answer your questions	68	49	Yes
Customer Service Representative	91	66	Yes
Representative's willingness to help	94	74	Yes
Knowledge of the representative	92	63	Yes
Ability of the representative to answer your questions	92	61	Yes
Time it took to resolve your query	89	56	Yes
Operating hours of the service center	88	81	
Communication	82	67	Yes
Timely	82	68	
Informative	81	71	
Useful	80	64	Yes
Available in the proper amount	83	65	Yes
Confidence in Department of Education	85	73	
Confidence that the Department of Education is accurately servicing your loan	85	73	
Complained about Direct Loan repayment process (percent)	12	35	Yes
Complained about any aspect of the Direct Loan repayment process	12	35	Yes
Sample Size	93	20	

Score Detail and Segmentation continued

Webpage Access

	Accessed Direct Loan Servicing Online webpage in past 12 months	Have not accessed Direct Loan Servicing Online webpage in past (90% conf. level)	Significant Difference
Customer Satisfaction	79	77	
Overall satisfaction	86	82	
Meet your expectations	73	72	
Ideal relationship	77	74	
Statements	86	85	
Accuracy of the statement balance	92	89	
Accuracy of information about past payments	87	87	
Ease of reading the statement	87	82	
Amount of information provided on the statement	82	84	
Consistency in when you receive statements	88	85	
Amount of time given before payments are due	82	81	
Website	76	--	
Ease of logging into the site	75	--	
Clarity of the website organization	75	--	
Ease of navigating the website	74	--	
Accuracy of information provided on the website	84	--	
Your ability to find the information you needed on the site	74	--	
Voice Response Unit	67	71	
Clarity of the menus	73	75	
Ease of using the automated response system	72	76	
Time it takes to navigate the automated response system	63	66	
Ability of the automated response system to answer your questions	63	66	
Customer Service Representative	86	87	
Representative's willingness to help	89	91	
Knowledge of the representative	86	88	
Ability of the representative to answer your questions	85	87	
Time it took to resolve your query	83	83	
Operating hours of the service center	88	86	
Communication	77	80	
Timely	78	80	
Informative	78	81	
Useful	76	79	
Available in the proper amount	78	81	
Confidence in Department of Education	85	83	
Confidence that the Department of Education is accurately servicing your loan	85	83	
Complained about Direct Loan repayment process (percent)	10	8	
Complained about any aspect of the Direct Loan repayment process	10	8	
Sample Size	71	179	

Verbatim Comments

Following are selected verbatim comments respondents made in reply to open-ended questions on the survey.

All respondents were asked, “In your own words, what could the Department of Education do to make the loan repayment process better?”

Statements

Get the statements out earlier.

Give more of a grace period - the time between when it is due and when you receive it. We get the bill on the 28th and it is due on the 5th.

Give more time to pay it back. I asked them to extend my first payment and they said that it was too late and I still have to pay for it. They gave me all of that information when I was in school and by the time I graduated, I didn't have that information anymore. I had no way of getting a hold of them to ask them to defer my loan. I have to pay it back, and I don't have a job yet.

I have two loans and sometimes I get confused as to which statement is for which child. They should designate which statement is for whom, either through the name or the Social Security number.

I would like to know the number of payments I have made and the number of payments I have left. I would like to see that information on the statement. I can see how much I owe, but I would like to see how much I have paid.

Improve the web site for loan consolidation or provide some kind of second party to access the accuracy of the repayment amount. The accuracy of the tracking of the loan could be improved. I would like a guarantee that it is accurate.

Keep the annual loans separate. I don't want them combined. When I got another loan, they combined the two balances. I wanted to pay off the first loan before I started paying on the second loan. I would get 2 bills, one had a 0 balance and the other had a total that was the combined balance of the two loans. This came with no explanation. If they are going to continue to do that, they need to explain to the consumer what they are doing. They should be more user friendly.

Lower the interest rate. I'm just paying back one semester and I can't imagine what it would be like if I had to pay more. The statement sometimes can be a little confusing. I don't understand how the interest balance and the interest are adding. Under interest balance, that is the column I don't understand.

Send me correct and complete statements. I've been sent statements without the envelope and they had two addresses, which caused a big headache. I also wish the DOE had a 20-year loan instead of a 10 year loan. I'll be consolidating my loan with another company

Verbatim Comments continued

because I have another student loan and they have a 20-year loan. Also the interest rate on my loan went down and DOE didn't tell me and the other company did.

They should give us poor college students more time to pay the bills. It is hard to pay in 2 weeks, so I suggest a month or something. I also think that it would be nice if they put the interest rate on the bill. For instance, I am only paying \$50 dollars this month, and I would like to know how much in interest I will end up paying if I pay \$50 dollars compared to \$100 dollars a month. That would be helpful.

When I transferred my loan there they went a long time before sending me a bill. I had to keep calling. I wasn't receiving a statement, I was just sending them stuff. If I had waited for them it would have been two months late.

Website

Clarify the web site so you can find information easily. It's often buried. You should also train operators to a consistent standard. Sometimes you get someone who's wonderful and sometimes you get someone who's horrible and it's really annoying.

I don't like the fact that it takes an entire week to get your password to pay online. The link to get your password can only be used once. I didn't know that and I didn't write it down, so I still have to pay by check. I would much prefer to pay online, but it's too much of a hassle. The online payment option is just too complicated. Other than that, everything is fantastic.

It was easy for me to use files on the computer. However, I thought that it was not very easy to navigate. I have never had any problems with the process. I have no complaints either.

I would like to make on-line payments without signing up for auto pay (using a credit card or debit card).

More communication on-line and less in the mail. A single user name and password should make it so you don't have to put in your last two letters of your name, PIN and, Social Security number. You should not have to put your Social Security number in at all on the web site.

On-line payments would be nice. When I was thinking about which loan to go with it was a little confusing. They could clarify all of the information. They could provide a little more detail. There is not enough information. It seems fairly efficient.

Voice Response Unit

Get rid of the auto attendants for calls.

Get rid of the automated phone system. I would prefer to talk to people.

Overall it's fine. Maybe improve it when you call and get voice mail and then you have to wait for people. Sometimes I don't get the answer I want or the person doesn't know.

Verbatim Comments continued

It would be easier if you could, right off the bat, talk with a person on the 800 number. I know that if they did that, everyone would just use it and not the automated system. The last two times I called, the questions I had didn't fit into any prompt and I ended up talking to someone anyway.

Customer Service Representative

I have never had a problem. I have never been put on hold. They always put on someone who knows how to answer my question.

Overall it's fine. Maybe improve it when you call and get voice mail and then you have to wait for people. Sometimes I don't get the answer I want or the person doesn't know.

The paperwork should be taken care of. My consolidation never went through. They need to be more attentive and have a desire to please the customer while on the phone.

They could make it better by working harder on the customer service end. They could direct people to someone who knows the answer to questions without trying to give them information that may not be accurate. It is really confusing when you are told one thing by someone, and the next time you call or receive something in the mail, it is completely opposite of what they had originally said. The people doing customer service need to be more direct. They should not lead people all over the place.

They're not friendly and I've called 3 or 4 times. They sent a letter saying I could do an automatic credit card payment. I went through it and couldn't get a receipt because if you do it at a certain time, you don't get a receipt. I called the lady and she said I paid it but it wasn't until after the due date. I asked her about loan consolidations and if she had been even a little bit friendly, I would have done it. She wasn't interested in talking about it. I don't feel like they care. They should be friendlier.

Communication

Be clear with what they send out. Most of the stuff is not very clear.

Give more information about the interest rate.

Include a list of frequently asked questions and send it out after the six month period, right when you are supposed to start paying the loan. I got one when I got the loan, but I don't have it anymore. I think that would clear up a lot of misunderstandings.

Send out a schedule of payments once or twice a year.

I get these things in the mail about consolidating and lowering my interest rates. It's hard to tell if they're being sent from the Department of Education or some solicitors trying to get me. They need to mark the mailings better.

Verbatim Comments continued

The first piece of correspondence I received from them was very confusing. The first statement was a quarterly interest statement and the second was for the first payment on the loan. I couldn't relate the two of them together because the first one was the accumulated interest on the loan since the disbursement. I had a choice of paying the accumulated interest off or having it capitalized into the loan. I didn't understand the concept until 1 or 2 months later when I got the first payment bill.

Update us more on our options.

When you are initiating, the loan process is confusing. We received duplicate information that made the whole thing even more confusing.

Word the forbearance and deferment papers more clearly.

General

Allow allotments for federal employees. Allow federal employees to have loan payments deducted directly from their paychecks.

Allow us to refinance at a lower interest rate. The year that you consolidate shouldn't be the last time you can negotiate your interest rate.

Every year, I've had to take out a different loan and they offered the chance to consolidate. When I took advantage of that, I lost two things. I lost the low interest rate and had to go with the current rate and I lost a rebate offer. If I made the first 12 payments on time I got a rebate and I lost that because I refinanced. I didn't think that was fair. Consolidating helped both of us, less paperwork for them and me so the benefits should carry over.

Give more consideration to those who aren't employed and can't pay back their loan.

I am trying to pay back my loan quicker and they are saying that I don't owe anything for the next two months. They are extending my payments for two months instead of letting me pay early.

I went into education with the understanding that part of my student loans would be paid and that is not true. I was told that I would have a time period to pay back and that is not true. The President or Department of Education changed something and didn't bother to tell anyone.

I wish payments could be deferred until after your student is out of school. Last year we had three children in college. For the past five years we've had kids in college. Sixty days after final disbursement we have so much in repayment we have to keep extending our repayment time. If payment could be deferred until they are out of college that would be most helpful. Also the accrued interest really adds up. Between interest and disbursement, we seem to pay a very large servicing fee.

I would really like to make my payments by credit card. I want to pay on credit sometimes

Verbatim Comments continued

and sometimes by mail. I would like to pay through the Internet because I am from Puerto Rico and it takes about a week to get there.

I'm satisfied with it. The payments are easy to make and they come at a time in the month when they don't conflict with my other bills.

Instead of making a 10 year loan, let the person set up his or her own time span. Whether that's 8 years, 6 years, or whatever, they should be able to choose. Once they gave us a coupon book where I just mailed the payments. I wish you would go back to that.

Speed up the application process.

The payment needs to be right from the beginning. I was told my payment was going to be a certain amount and then it was doubled. That is something I can't pay.

The process should be simpler. They have so many figures and numbers on there that I get overwhelmed. If you aren't a money-orientated person, you get confused.

They could probably have one person work the same case instead of having ten people work the same case. I mailed the same piece of paper thirteen times. The end result was fine. It was a devil to get through.

When we consolidated everything went smooth. We had a good exchange of information. It was easy to get it started, and easy to follow through on.

Questionnaire

U.S. Department of Education Students Channel Servicing Questionnaire

(Items in **BOLD** are interviewer instructions, and are not intended to be read to the Client)
(Items marked *i.e.* or *e.g.* should only be read if respondent needs clarification)

Introduction (Do not read)

- INTRO1. Hello, this is _____ calling from [data vendor] on behalf of the United States Department of Education. May I please speak to (name from list)? **(If necessary: We're conducting a customer satisfaction survey and are trying to contact people who are currently paying back student loans.)**
- 1 **(Named person is on the phone, continue at INTRO4)**
 - 2 **(Named person is available, proceed at INTRO3 when respondent comes to phone)**
 - 3 **(Named person is unavailable, schedule callback)**
 - 4 **(Named person is no longer this number, use INTRO2)**
 - 9 Refused/Hung Up
- INTRO2. Is there another number at which I could reach him/her? **(If necessary: We're conducting a customer satisfaction survey and are trying to contact people who are currently paying back student loans.)**
- 1 **(Will provide new number)** >> Thank you and have a good day? (Contact new number)
 - 2 **(Refused to provide new number)** >> Thank you and have a good day!
- INTRO3. **(When respondent comes to phone)**
Hello, this is [interviewer name] calling from [data vendor] on behalf of the United States Department of Education. **(Continue)**
- INTRO4. We're calling as part of an initiative the Department of Education has undertaken to improve its customers' satisfaction. Do you have any student loans borrowed from the federal government – a Direct Student Loan - that you are currently paying back?
- 1 Yes >> **(Continue at Error! Reference source not found.)**
 - 2 No >> Thank you for your time today! Good bye.
 - 3 Don't know
 - 9 Refused

Questionnaire continued

INTRO1. The Department of Education is conducting this survey with customers such as you to measure satisfaction with its products and services. I'd like to take some time now to go through this survey with you. This interview is authorized by Office of Management and Budget Control No. 1845-0045, and will take about 10 minutes. Your comments will, of course, remain strictly confidential. Is now a good time for us to speak?

- 1 Yes (Continue with Next Question)
- 2 No (When would be a more convenient time for you to complete this study?)

Statements (Do not read)

Think about the *most recent* monthly statement you have received for making payments on your loans. On a scale from 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate...

STMT1. The accuracy of the statement balance

STMT2. The accuracy of information about past payments

STMT3. The ease of reading the statement

STMT4. The amount of information provided on the statement (**e.g., principal balances, computed interest, other fees**)

STMT5. The consistency in when you receive statements (**i.e., the same time of the month each month**)

STMT6. The amount of time given before payments are due

Web Site (Do not read)

WEB1. In the past twelve months, have you accessed the Direct Loan Servicing Online web page, dl.ed.gov?

- 1 Yes
- 2 No (**skip to next section**)
- 8 Don't Know (**skip to next section**)
- 9 Refused (**skip to next section**)

Think about the Direct Loan Servicing web page. On a scale from 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate the...

WEB2. Ease of logging into the site

WEB3. Clarity of the web site organization

WEB4. Ease of navigating the web site

WEB5. Accuracy of information provided on the web site

WEB6. Your ability to find the information you needed on the site

WEB7. In general, how would you say the Direct Loan Servicing web site compares to other business-type web sites you have visited? (**read list**)

- 1 Better
- 2 Worse
- 3 About the Same
- 8 Don't Know

Questionnaire continued

In the past twelve months, have you called the Department of Education Direct Loan Servicing 800 number **(1-800-848-0979)** for questions or help about your loan?

- 1 Yes
- 2 No **(skip to Communication)**
- 8 Don't Know **(skip to Communication)**
- 9 Refused **(skip to Communication)**

Think about the automated voice response system on the 800 number you dialed. On a scale from 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate...

- VRU2. The clarity of the menus
- VRU3. The ease of using the automated response system
- VRU4. The time it takes to navigate the automated response system
- VRU5. The ability of the automated response system to answer your questions

Call Center Representative (Do not read)

CCR1. When you have called into the Department of Education Direct Loan Servicing 800 number **(1-800-848-0979)**, have you spoken with a customer service representative?

- 1 Yes
- 2 No **(skip to next section)**
- 8 Don't Know **(skip to next section)**
- 9 Refused **(skip to next section)**

Think about the assistance you received from the representative. On a scale from 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate the...

- CCR2. Representative's willingness to help
- CCR3. Knowledge of the representative
- CCR4. Ability of the representative to answer your questions
- CCR5. Time it took to resolve your query
- CCR6. The operating hours of the service center
- CCR7. Thinking about your last call to the Department of Education Direct Loan Servicing 800 number **(1-800-848-0979)**, was it resolved in one phone call?
 - 1 Yes
 - 2 No
 - 8 Don't Know
 - 9 Refused

Questionnaire continued

Communication (Do not read)

Besides the billing statements, think about the communications you receive from the servicing department. Using the same 1 to 10 scale, how would you rate the communications on being:

- COMM1. Timely
- COMM2. Informative
- COMM3. Useful
- COMM4. Available in the proper amount
- COMM5. **(if COMM4 < 7)** Would you say the amount of communications you receive is too much or too little?
- 1 Too much
 - 2 Too little
 - 8 Don't Know

ACSI Benchmark Questions (Do not read)

- ACSI1. Using a 10-point scale on which "1" means "very dissatisfied" and 10 means "very satisfied", how satisfied are you with the loan repayment process?
- ACSI2. Using a 10-point scale on which "1" now means "falls short of your expectations" and "10" means "exceeds your expectations," to what extent has the loan repayment process fallen short of or exceeded your expectations?
- ACSI3. Imagine what an ideal process would be for paying back your loans. How well do you think the current process compares with that ideal you just imagined? Please use a 10-point scale on which "1" means "not at all ideal," and "10" means "very close to the ideal."

Outcome Measures (Do not read)

- MP1. In the past sixth months, have you complained to the Department of Education about any aspect of the Direct Loan repayment process? **(e.g., for such things as billing errors, late or missing bills, etc.)**
- 1 Yes
 - 2 No
 - 9 Refused
- CONF1. Using a scale of 1 to 10 where "1" means "not at all confident" and "10" means "completely confident", how confident are you that the Department of Education is accurately servicing your loan for you? **(If necessary: "By servicing your loan we mean activities involved with maintaining contact between you and the government, including such things as processing payments, maintaining proper account information, and providing other information to you about such things as taxes and interest rate changes.")**

Closing (Do not read)

- CLOSE1. In your own words, what could the Department of Education do to make the loan repayment process better? **(enter verbatim response)**

That's all the questions I had for you. Thank you for your time, and have a good day.

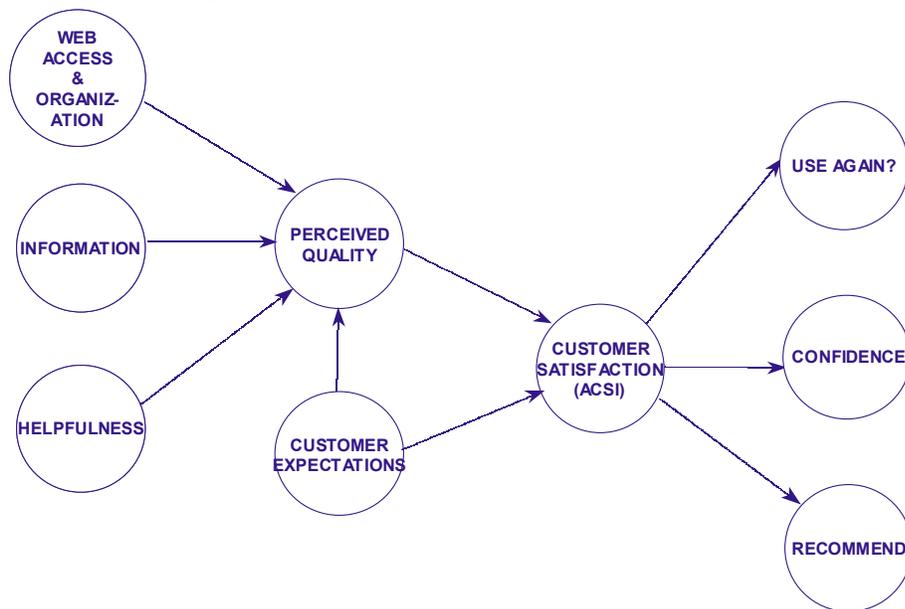
FAFSA on the Web

Research Summary

Research Process

The project began with development of the 2003 FOTW satisfaction questionnaire, which drew upon prior research last conducted in 2001 and on a series of teleconferences with FOTW staff. The 2003 survey and satisfaction model resulting from this process significantly revised the components of customer satisfaction measured from the 2001 research.

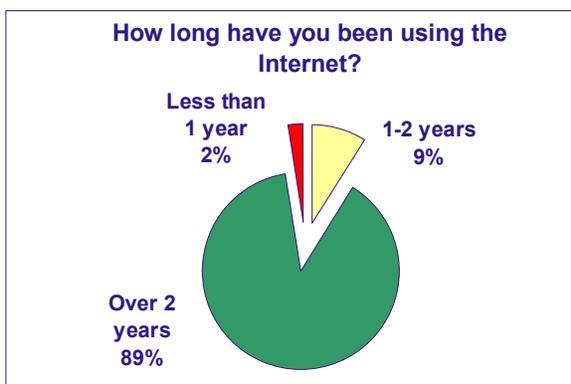
Figure 1: 2001 FAFSA on the Web Satisfaction Model



Specifically, the 2003 questionnaire added more detailed questions about attributes of the FOTW website and process, notably with regard to PIN application and usage.

A third-party data collection company, PGM Incorporated of Orem, Utah, interviewed 250 FAFSA customers by phone in July of 2003. The respondents were selected at random from a sample list provided by FOTW of customers who had submitted a FAFSA form on-line in May or June of 2003. All respondents were interviewed in English, though fielding of a Spanish version of the questionnaire was considered for future waves.

Figure 2: Respondent Internet Experience

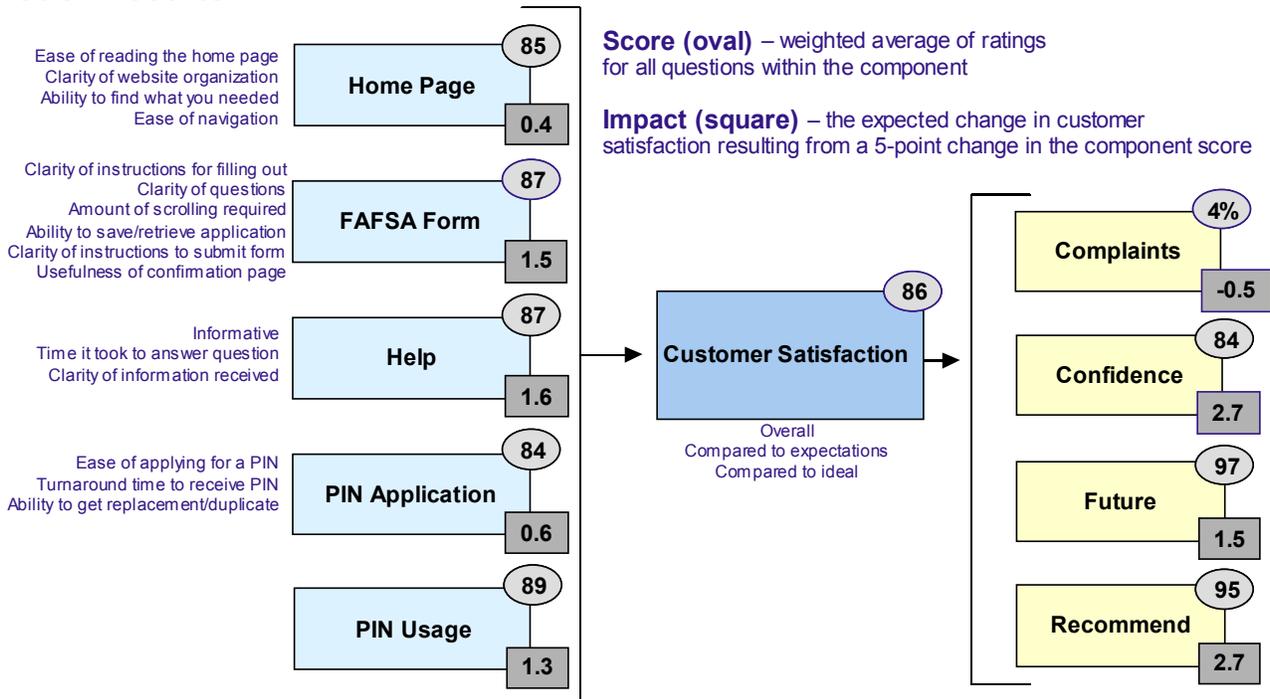


Almost all respondents to the survey reported a high level of experience with the Internet (Figure 2), which is unsurprising given the typical age of FAFSA customers and the fact that these customers filled out the form on-line.

When all the interviews were complete, the data were sent to CFI Group for analysis using the ACSI cause-and-effect methodology. Results of that analysis follow.

Research Summary continued

Model Results



The figure above shows the complete satisfaction model for FOTW customers. This is a “cause-and-effect” model where the components of the customer experience (the **Home Page**, **Help**, the **PIN Application**, etc.) influence the **Customer Satisfaction Index (CSI)**, which in turn drives changes in customer behaviors like **Complaints**, and attitudes such as their **Confidence** that their loan is being serviced accurately. Each component is made up of a group of questions from the survey related to a particular area; for example, the **Help** component is comprised of questions asking respondents to rate the available help on “clarity of information received”, how “informative” it is, and so on.

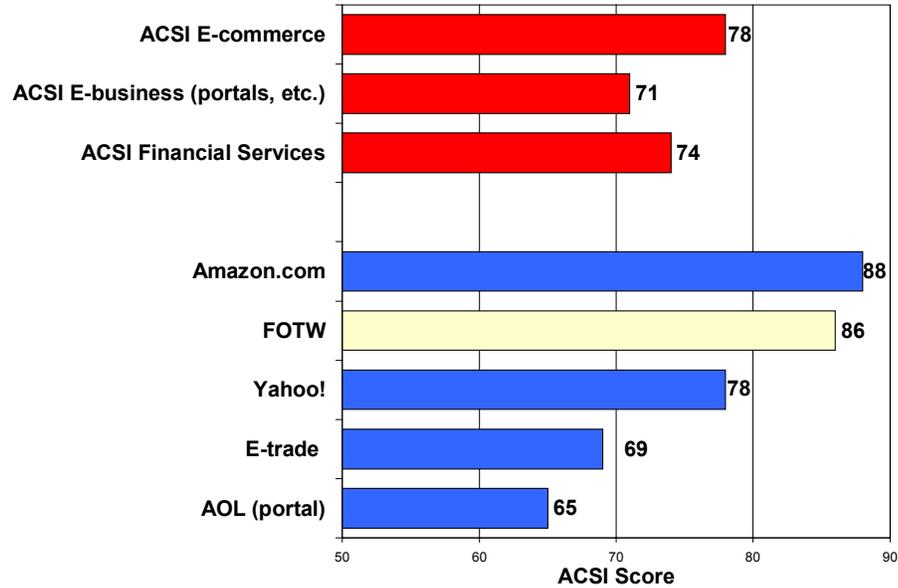
Improvements in any of the left hand side components will have a positive influence on customer satisfaction. These can be quantified by the component’s **impact**. The impact represents the amount by which satisfaction would increase if a component were to improve by 5 points. For example, if the **FAFSA Form** were to improve from 87 to 92, **Customer Satisfaction** would improve by 1.5 points (from 86 to 87.5), the amount of the impact of the FAFSA Form on the CSI. Impacts represent the *independent* effect of each quality component on the CSI (i.e, the effect with “all else being equal”), and are also *additive* - that is, improvements in several components will cause the CSI to go up by the sum of their impacts. Note that the **Customer Satisfaction** index is measured independently of the quality components with three survey questions (overall satisfaction, satisfaction compared to expectations, satisfaction compared to an “ideal”); it is not an average or an index of the scores for the model components themselves.

Likewise, If customers’ Satisfaction were to rise 5 points, the model predicts that the scores for **Complaints**, **Confidence**, **Future Use** and **Likelihood to Recommend** would change by the amount of their impacts (-0.5, 2.7, 1.5 and 2.7, respectively). Note that in the case of **Complaints** the impact value is negative; this implies that as customers become more satisfied, the number of complaints will decrease. The impact logic also operates on the downside: decreased levels of performance on any component will lead to lower satisfaction scores commensurate with their impacts.

Research Summary continued

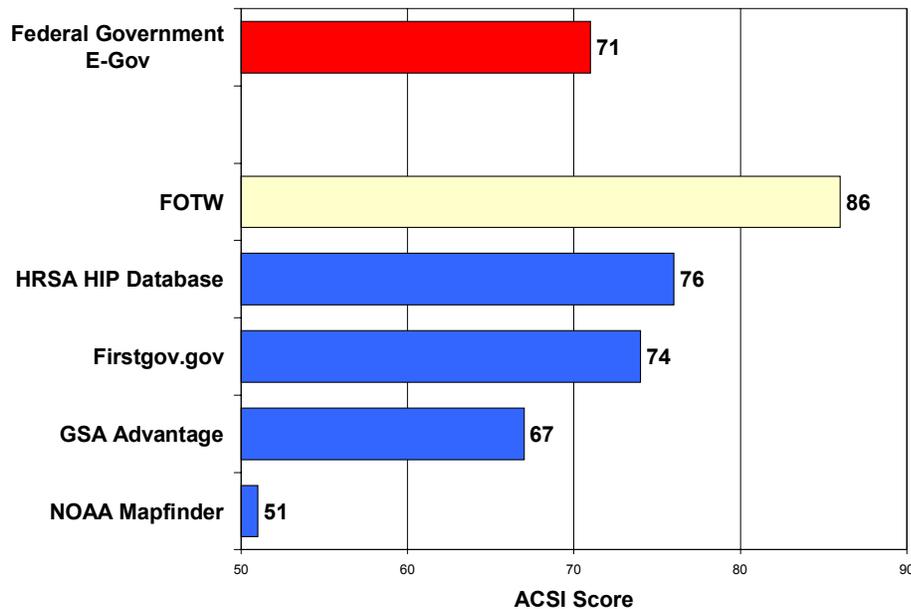
Satisfaction Benchmarks

Figure 3a: 2003 Private Sector Web Benchmarks



The current satisfaction score for FOTW of 86 stands out among companies and organizations measured in the ACSI, in both the private and the public sector. FOTW scores nearly as high as the leader in web satisfaction, Amazon.com, and outperforms all ACSI e-business and financial service indices (Figure 3a). Furthermore, FOTW sets the standard for web service satisfaction among Federal government agencies. Presently it has the highest score of any Federal government web site or service measured with the ACSI methodology (Figure 3b), including the several dozen sites measured in the September 2003 “E-gov” ACSI index (results of which are available at www.theacsi.org).

Figure 3b: 2003 Federal Government Web Benchmarks



Research Summary continued

Comparisons to Prior Research

The Customer Satisfaction index and several attributes within the satisfaction model components used in the 2003 survey are identical (or nearly so) to those asked in prior research, most recently in 2001. This allows for direct comparison of these scores to see how FOTW has fared in customers' eyes over time.

Among the specific attributes measured in both the 2001 and 2003 surveys, there have been only slight and not statistically significant improvements in score (table below). However, in the fast-changing world of web-based services, the fact that FOTW has maintained its high ratings in these areas may actually be a marker of success. At the very least it suggests that FOTW has kept abreast with the latest web technologies and practices.

	2003	2001
Customer Satisfaction	86	83
Overall satisfaction	89	87
Meet your expectations	84	78
Ideal relationship	84	80
Home Page		
Clarity of the website organization (2001: "Organization of web site")	86	86
Your ability to find what you needed	85	84
Ease of navigating the website	85	84
Help*		
How informative the help was (2001: "thorough", "relevant")	87	87
Clarity of the information you received	88	82

**Compares Help scores for those customers who used webpage-based help facilities only (e.g., online FAQs, live chat).*

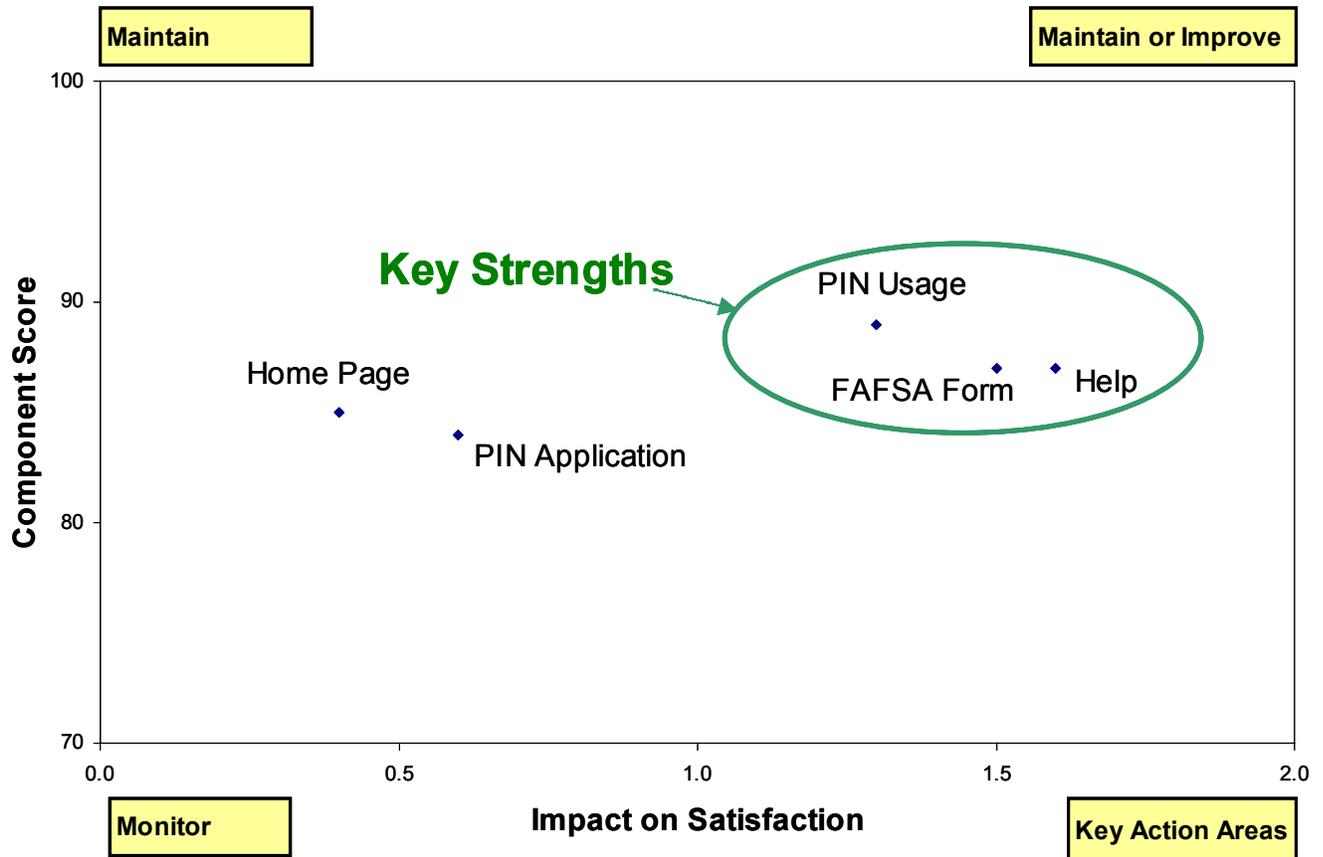
Satisfaction Outcomes

In addition to its world-class customer satisfaction score, FOTW enjoys very strong ratings from its customers on the behavioral outcomes measured in the model. Customers report a very low level of **Complaints** about FOTW, with only 4% saying they contacted FSA with an issue or concern. They also express a great deal of **Confidence** (84) that the data they submit to FOTW is secure.

From a marketing perspective, respondents' reported likelihood to **Use FOTW in the Future** (97) and to **Recommend** it to others (95) is very good news. With current customers saying that they are virtually certain to come back to FOTW and to encourage others to do so, FOTW can expect to continue realizing higher usage volumes even in the absence of concerted marketing or communications efforts.

Research Summary continued

Improvement Priorities



The diagram above combines the score and impact information from the satisfaction model analysis to provide guidance about where to focus efforts to maintain or improve satisfaction. Generally speaking, those components with relatively high impact and relatively low score (falling to the lower right side of the diagram) should be the highest priority for improvement. Those with higher scores and lower impacts (in the upper left hand quadrant of the diagram) should be the lowest priority.

While the diagram provides information about where to focus improvement efforts first, this does not mean that lower-priority areas are not *important*. Large changes in performance levels on any component (e.g., 10 points or more, either up or down) will likely affect the customer satisfaction score, even if the component(s) in question have an impact of 0.0.

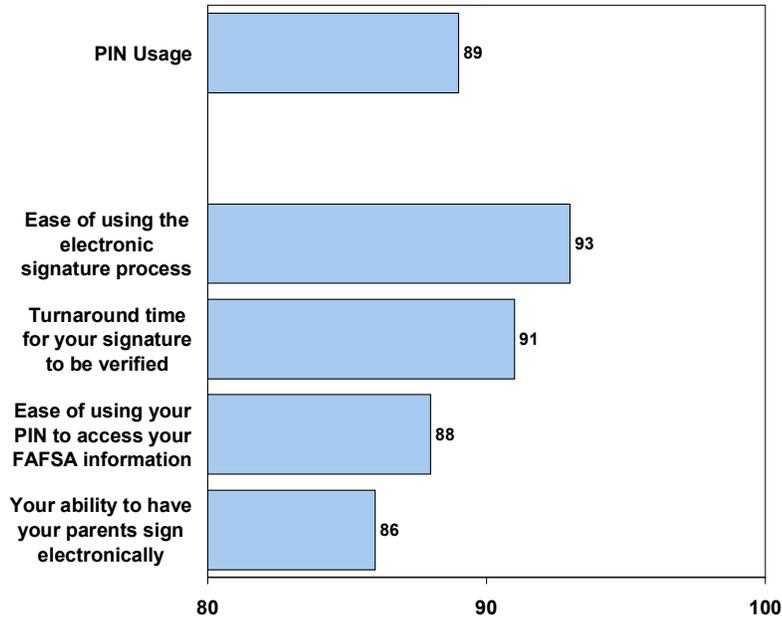
FOTW's three highest-impact components - **Help**, the **FAFSA Form**, and **PIN Usage** - are also areas of strength, as indicated by their relatively high scores. While improving scores for these areas would likely be challenging (and therefore perhaps not worth the investment), FOTW should try to maintain current score levels, since any drop-off in performance in these areas will result in decreased customer satisfaction.

While performance in these key areas is strong, the survey data do reveal areas where continuous improvement efforts may help to shore up FOTW's scores. These are examined in turn below.

Research Summary continued

PIN Usage

Figure 5



While all the attributes in the PIN Usage component score very well, the lowest scoring is “Your ability to have your parents sign electronically” (Figure 5). Several respondents raised this issue when given the opportunity to make open-ended comments on the survey.

FAFSA Form

On the FAFSA form itself, respondents gave the lowest ratings to “Clarity of the questions” and the “Amount of scrolling required on a page.” The verbatim comments provided in this report contain several examples of customer suggestions for improving these attributes. Some found specific areas of the form unclear. Others suggested that the flow of the form could be improved if the web pages were rearranged or consolidated to reduce the need to navigate across separate pages.

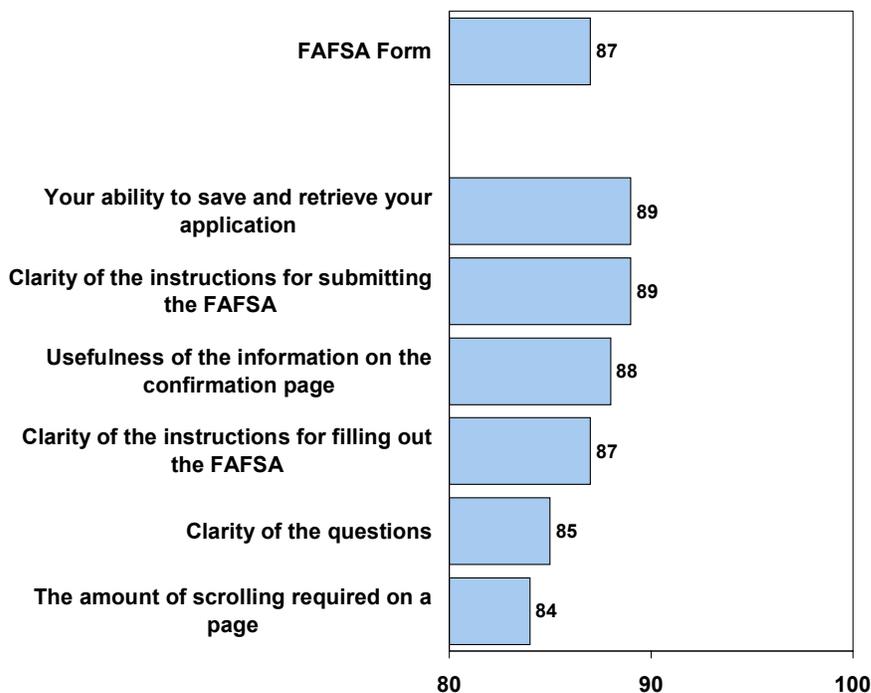
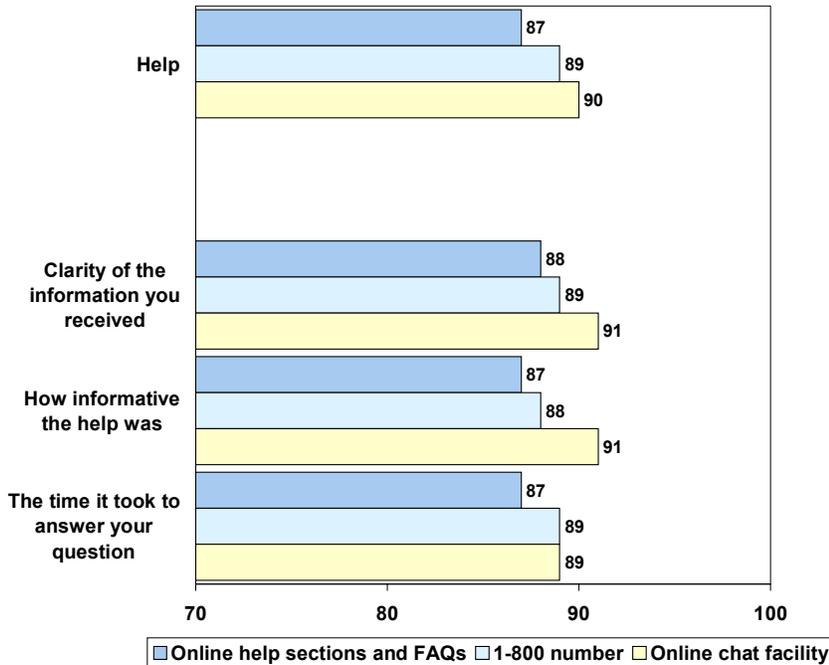


Figure 6

Research Summary continued

Help

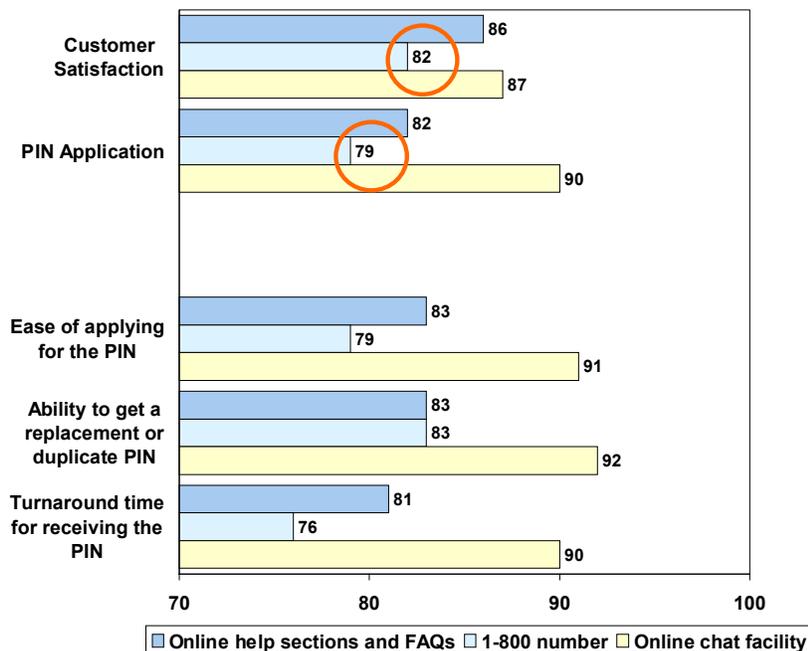
Figure 7 - Help Component and Attributes by Mode of Help Provided



Like PIN Usage and the FAFSA Form, in general the Help component scores very well. To the extent that improvements are undertaken, they should largely be further refinements of an already well-functioning system. Not only do respondents rate FOTW strongly on the Help it provides, scores are consistently high across the three modes of help delivery offered: online help sections and FAQs, interactive online chat, and the 1-800 number (Figure 7).

However, there are some areas in which respondents who have used different modes of help appear to vary in their experiences. Customers who called the 1-800 number score lower on overall Customer Satisfaction, and also rate the PIN Application process lower, than those who sought help on-line, whether through FAQs or chat (Figure 8). Definitive conclusions based on these results are not possible due to the relatively low numbers of respondents involved (78 sought help online, 35 called the 1-800 number). Also, some respondents reported using multiple modes of help. But the data suggest that customers may find the 1-800 number lacking somewhat in helping them with the PIN Application Process. FOTW may wish to investigate further to identify any technology or personnel issues underlying this finding.

Figure 8: Satisfaction, PIN Application Component and Attributes by Mode of Help



Conclusions & Recommendations

Better news regarding customer satisfaction with FAFSA on the Web is difficult to imagine. FOTW has made tremendous improvement in customers' eyes since 1999 and now helps define the gold standard for web-based services in both the public and private sector. High levels of satisfaction will drive high levels of customer confidence in FOTW and ensure that they will use it in the future and recommend that others do likewise.

The principal challenge to FOTW now is to maintain the high standard it has set for itself. From its current lofty perch, FOTW's scores have essentially nowhere to go but down, and if the component scores drop (particularly in the high-impact areas discussed above) customer satisfaction will shortly follow suit. Furthermore, like all web services FOTW will be challenged by the dynamism of the Internet, where technological change is rapid, where every web site is implicitly benchmarked to all other web sites in customers' minds. As noted above, in such an environment continuous innovation and improvement are necessary simply to maintain customer satisfaction levels.

Recommendations

Generally, FOTW may wish to continue keeping an eye on the "competition" by staying abreast of current technology standards and best practices for web site design and service delivery. Beyond this, the survey results point to several recommendations for FOTW to help maintain and perhaps improve its current levels of customer satisfaction. They are presented below in rough order of priority for impacting customer satisfaction.

FAFSA Form - Consider Incremental Improvements

FOTW could further improve the FAFSA Form by:

- Continuing to work on the clarity of the form both in general (i.e., navigating through the form as a whole) and for specific questions.
- Exploring ways to address issues faced by special-need groups (e.g., veterans), as well as those in atypical situations. Several survey respondents raised these issues when invited to comment on their experiences with FOTW.

A variety of both informal and more rigorous means are available to pursue these potential improvements. The verbatim comments found in this report may make a good jumping-off point for more in-depth investigation of these issues. Further customer research like usability studies, customer focus groups (on- or off-line), and so on could be useful to FOTW to continue to refine the FAFSA Form.

PIN Usage - Consider Incremental Improvements; Educate Users

The main issue that might be addressed with regard to PIN Usage is the ability for students to have their parents sign their application electronically. FOTW may wish to develop communications to help students and parents better understand the electronic signature process. These could take the form of FAQs, or be highlighted in other on- and off-line bulletins and instructions for FAFSA customers.

Conclusions & Recommendations continued

Help - Consider Incremental Improvement

As noted above, the help FOTW provides to its customers is well-rated regardless of the mode of delivery. However, there may be areas in which certain modes of help are more or less effective in addressing certain customer issues (e.g., 1-800 number resolution of PIN Application issues). FOTW may wish to consider conducting an analysis of the nature and number of requests for assistance and the capabilities of each mode to provide the sorts of help requested. If certain modes of help are found to be not optimally structured to address particular issues, FOTW could either improve its capabilities or could explore ways to direct customers to the different channels for getting help based on the type of assistance required. For example, if the 1-800 number did turn out to have shortcomings in helping customers get a PIN (incompatible systems, slow turnaround time, lack of staff knowledge etc.), those customers could be encouraged to use a more effective mode of help for this purpose, if one exists (e.g., on-line chat).

Score Detail and Segmentation

Aggregate (all respondents)

Customer Satisfaction	86
Overall satisfaction	89
Meet your expectations	84
Ideal relationship	84
Home Page	85
Ease of reading the home page	83
Clarity of the website organization	86
Your ability to find what you needed	85
Ease of navigating the website	85
FAFSA Form	87
Clarity of the instructions for filling out the FAFSA	87
Clarity of the questions	85
The amount of scrolling required on a page	84
Your ability to save and retrieve your application	89
Clarity of the instructions for submitting the FAFSA	89
Usefulness of the information on the confirmation page	88
Help	87
How informative the help was	87
The time it took to answer your question	87
Clarity of the information you received	88
PIN Application	84
Ease of applying for the PIN	85
Turnaround time for receiving the PIN	83
Ability to get a replacement or duplicate PIN	84
PIN Usage	89
Ease of using the electronic signature process	93
Your ability to have your parents sign electronically	86
Turnaround time for your signature to be verified	91
Ease of using your PIN to access your FAFSA information	88
Confidence in FAFSA website	84
Confident that information on the website is secure	84
Willingness to use website in future	97
Use the website to apply for financial aid in the future	97
Likelihood to recommend	95
Recommend the website to others	95
Complained about FAFSA application (percent)	4
Registered a complaint about FAFSA application	4

Sample Size

250

Score Detail and Segmentation continued

Internet Use

	Been using internet for less than a year	Been using internet for 1-2 years	Been using internet for over 2 years
Customer Satisfaction	94	83	86
Overall satisfaction	100	89	89
Meet your expectations	85	81	85
Ideal relationship	96	79	84
Home Page	87	82	85
Ease of reading the home page	87	82	83
Clarity of the website organization	83	84	86
Your ability to find what you needed	85	83	85
Ease of navigating the website	91	80	86
FAFSA Form	93	84	87
Clarity of the instructions for filling out the FAFSA	96	85	87
Clarity of the questions	87	80	86
The amount of scrolling required on a page	87	82	84
Your ability to save and retrieve your application	96	84	89
Clarity of the instructions for submitting the FAFSA	96	85	90
Usefulness of the information on the confirmation page	89	87	88
Help	94	87	87
How informative the help was	96	86	87
The time it took to answer your question	93	92	87
Clarity of the information you received	93	93	87
PIN Application	91	89	83
Ease of applying for the PIN	96	87	84
Turnaround time for receiving the PIN	89	91	82
Ability to get a replacement or duplicate PIN	81	84	85
PIN Usage	93	90	89
Ease of using the electronic signature process	96	95	93
Your ability to have your parents sign electronically	--	67	87
Turnaround time for your signature to be verified	96	91	90
Ease of using your PIN to access your FAFSA information	93	87	87
Confidence in FAFSA website	74	82	85
Confident that information on the website is secure	74	82	85
Willingness to use website in future	96	96	97
Use the website to apply for financial aid in the future	96	96	97
Likelihood to recommend	98	91	96
Recommend the website to others	98	91	96
Complained about FAFSA application (percent)	17	14	2
Registered a complaint about FAFSA application	17	14	2
Sample Size	6	22	222

Score Detail and Segmentation continued

Applied for PIN

	Applied for PIN number	Did not apply for PIN number	Already had PIN number
Customer Satisfaction	87	81	83
Overall satisfaction	90	83	88
Meet your expectations	86	80	80
Ideal relationship	85	80	81
Home Page	85	87	85
Ease of reading the home page	84	85	82
Clarity of the website organization	86	91	83
Your ability to find what you needed	85	84	87
Ease of navigating the website	85	88	88
FAFSA Form	87	89	85
Clarity of the instructions for filling out the FAFSA	87	89	83
Clarity of the questions	85	88	84
The amount of scrolling required on a page	83	88	83
Your ability to save and retrieve your application	88	93	87
Clarity of the instructions for submitting the FAFSA	90	87	92
Usefulness of the information on the confirmation page	89	88	80
Help	87	88	90
How informative the help was	87	88	91
The time it took to answer your question	87	90	87
Clarity of the information you received	88	88	91
PIN Application	84	--	--
Ease of applying for the PIN	85	--	--
Turnaround time for receiving the PIN	83	--	--
Ability to get a replacement or duplicate PIN	84	--	--
PIN Usage	90	85	82
Ease of using the electronic signature process	93	98	88
Your ability to have your parents sign electronically	87	56	--
Turnaround time for your signature to be verified	91	92	87
Ease of using your PIN to access your FAFSA information	89	82	79
Confidence in FAFSA website	85	84	78
Confident that information on the website is secure	85	84	78
Willingness to use website in future	97	96	95
Use the website to apply for financial aid in the future	97	96	95
Likelihood to recommend	96	93	94
Recommend the website to others	96	93	94
Complained about FAFSA application (percent)	4	4	--
Registered a complaint about FAFSA application	4	4	--
Sample Size	204	26	17

Score Detail and Segmentation continued

Used PIN

	Used PIN to sign application electronically	Did not use PIN to sign application electronically	Significant Difference (90% conf. level)
Customer Satisfaction	87	82	
Overall satisfaction	90	84	
Meet your expectations	85	79	Yes
Ideal relationship	84	84	
Home Page	86	81	
Ease of reading the home page	84	81	
Clarity of the website organization	87	82	
Your ability to find what you needed	86	80	
Ease of navigating the website	86	81	
FAFSA Form	88	87	
Clarity of the instructions for filling out the FAFSA	87	88	
Clarity of the questions	86	83	
The amount of scrolling required on a page	85	81	
Your ability to save and retrieve your application	89	87	
Clarity of the instructions for submitting the FAFSA	90	89	
Usefulness of the information on the confirmation page	87	90	
Help	88	84	
How informative the help was	88	83	
The time it took to answer your question	87	89	
Clarity of the information you received	89	86	
PIN Application	85	78	
Ease of applying for the PIN	86	78	
Turnaround time for receiving the PIN	84	76	
Ability to get a replacement or duplicate PIN	85	81	
PIN Usage	91	76	n/a
Ease of using the electronic signature process	93	--	
Your ability to have your parents sign electronically	86	--	
Turnaround time for your signature to be verified	91	--	
Ease of using your PIN to access your FAFSA information	89	76	Yes
Confidence in FAFSA website	85	85	
Confident that information on the website is secure	85	85	
Willingness to use website in future	97	94	
Use the website to apply for financial aid in the future	97	94	
Likelihood to recommend	96	94	
Recommend the website to others	96	94	
Complained about FAFSA application (percent)	2	10	
Registered a complaint about FAFSA application	2	10	
Sample Size	205	40	

Score Detail and Segmentation continued

Accessed Help

	Accessed help when filling out FAFSA	Did not access help when filling out FAFSA	Significant Difference (90% conf. Level)
Customer Satisfaction	85	86	
Overall satisfaction	88	90	
Meet your expectations	85	84	
Ideal relationship	83	85	
Home Page	84	85	
Ease of reading the home page	83	84	
Clarity of the website organization	87	85	
Your ability to find what you needed	84	85	
Ease of navigating the website	84	86	
FAFSA Form	87	87	
Clarity of the instructions for filling out the FAFSA	87	87	
Clarity of the questions	85	86	
The amount of scrolling required on a page	85	83	
Your ability to save and retrieve your application	87	90	
Clarity of the instructions for submitting the FAFSA	89	90	
Usefulness of the information on the confirmation page	88	87	
Help	87	--	
How informative the help was	87	--	
The time it took to answer your question	87	--	
Clarity of the information you received	88	--	
PIN Application	82	85	
Ease of applying for the PIN	83	86	
Turnaround time for receiving the PIN	81	84	
Ability to get a replacement or duplicate PIN	81	86	
PIN Usage	89	89	
Ease of using the electronic signature process	92	93	
Your ability to have your parents sign electronically	78	90	
Turnaround time for your signature to be verified	91	90	
Ease of using your PIN to access your FAFSA information	88	87	
Confidence in FAFSA website	86	84	
Confident that information on the website is secure	86	84	
Willingness to use website in future	97	97	
Use the website to apply for financial aid in the future	97	97	
Likelihood to recommend	96	95	
Recommend the website to others	96	95	
Complained about FAFSA application (percent)	4	3	
Registered a complaint about FAFSA application	4	3	
Sample Size	95	155	

Score Detail and Segmentation continued

Mode of Help

	Online help sections and FAQs	1-800 number	Online chat facility
Customer Satisfaction	86	82	87
Overall satisfaction	89	84	90
Meet your expectations	86	80	85
Ideal relationship	83	82	87
Home Page	85	84	83
Ease of reading the home page	84	83	83
Clarity of the website organization	88	86	85
Your ability to find what you needed	84	82	81
Ease of navigating the website	86	85	83
FAFSA Form	87	85	88
Clarity of the instructions for filling out the FAFSA	87	85	92
Clarity of the questions	84	84	91
The amount of scrolling required on a page	85	85	83
Your ability to save and retrieve your application	87	83	83
Clarity of the instructions for submitting the FAFSA	90	86	86
Usefulness of the information on the confirmation page	88	87	91
Help	87	89	90
How informative the help was	87	88	91
The time it took to answer your question	87	89	89
Clarity of the information you received	88	89	91
PIN Application	82	79	90
Ease of applying for the PIN	83	79	91
Turnaround time for receiving the PIN	81	76	90
Ability to get a replacement or duplicate PIN	83	83	92
PIN Usage	91	87	89
Ease of using the electronic signature process	92	94	83
Your ability to have your parents sign electronically	75	79	--
Turnaround time for your signature to be verified	91	92	86
Ease of using your PIN to access your FAFSA information	91	85	94
Confidence in FAFSA website	85	84	83
Confident that information on the website is secure	85	84	83
Willingness to use website in future	97	95	91
Use the website to apply for financial aid in the future	97	95	91
Likelihood to recommend	97	94	93
Recommend the website to others	97	94	93
Complained about FAFSA application (percent)	5	6	8
Registered a complaint about FAFSA application	5	6	8
Sample Size	73	35	13

Score Detail and Segmentation continued

Online Help vs. 1-800 Help

	Online help sections and FAQs or online chat facility	1-800 number	Significant Difference
Customer Satisfaction	86	82	
Overall satisfaction	90	84	
Meet your expectations	86	80	Yes
Ideal relationship	83	82	
Home Page	85	84	
Ease of reading the home page	84	83	
Clarity of the website organization	88	86	
Your ability to find what you needed	84	82	
Ease of navigating the website	85	85	
FAFSA Form	87	85	
Clarity of the instructions for filling out the FAFSA	87	85	
Clarity of the questions	85	84	
The amount of scrolling required on a page	85	85	
Your ability to save and retrieve your application	87	83	
Clarity of the instructions for submitting the FAFSA	90	86	
Usefulness of the information on the confirmation page	88	87	
Help	87	89	
How informative the help was	87	88	
The time it took to answer your question	87	89	
Clarity of the information you received	88	89	
PIN Application	83	79	
Ease of applying for the PIN	84	79	
Turnaround time for receiving the PIN	82	76	
Ability to get a replacement or duplicate PIN	83	83	
PIN Usage	91	87	
Ease of using the electronic signature process	92	94	
Your ability to have your parents sign electronically	75	79	
Turnaround time for your signature to be verified	91	92	
Ease of using your PIN to access your FAFSA information	91	85	
Confidence in FAFSA website	86	84	
Confident that information on the website is secure	86	84	
Willingness to use website in future	97	95	
Use the website to apply for financial aid in the future	97	95	
Likelihood to recommend	97	94	
Recommend the website to others	97	94	
Complained about FAFSA application (percent)	5	6	
Registered a complaint about FAFSA application	5	6	
Sample Size	78	35	

Score Detail and Segmentation continued

Complaint Behavior

	Registered a complaint	Did not register a complaint	Significant Difference (90% conf. Level)
Customer Satisfaction	80	86	
Overall satisfaction	85	89	
Meet your expectations	72	85	
Ideal relationship	83	84	
Home Page	81	85	
Ease of reading the home page	86	83	
Clarity of the website organization	88	86	
Your ability to find what you needed	74	85	
Ease of navigating the website	77	86	
FAFSA Form	87	87	
Clarity of the instructions for filling out the FAFSA	89	87	
Clarity of the questions	88	85	
The amount of scrolling required on a page	83	84	
Your ability to save and retrieve your application	88	89	
Clarity of the instructions for submitting the FAFSA	88	89	
Usefulness of the information on the confirmation page	88	88	
Help	95	87	Yes
How informative the help was	89	87	
The time it took to answer your question	100	87	Yes
Clarity of the information you received	97	88	Yes
PIN Application	86	84	
Ease of applying for the PIN	89	85	
Turnaround time for receiving the PIN	89	83	
Ability to get a replacement or duplicate PIN	80	85	
PIN Usage	88	89	
Ease of using the electronic signature process	98	93	Yes
Your ability to have your parents sign electronically	100	86	Yes
Turnaround time for your signature to be verified	82	91	
Ease of using your PIN to access your FAFSA information	83	88	
Confidence in FAFSA website	78	85	
Confident that information on the website is secure	78	85	
Willingness to use website in future	99	97	
Use the website to apply for financial aid in the future	99	97	
Likelihood to recommend	88	96	
Recommend the website to others	88	96	
Complained about FAFSA application (percent)	100	--	
Registered a complaint about FAFSA application	100	--	
Sample Size	9	241	

Verbatim Comments

Following are selected verbatim comments respondents made in reply to open-ended questions on the survey.

All respondents were asked, “In your own words, what could the Department of Education do to improve the FAFSA process on the web?”

Home Page

Change the home page. For directions on where to go, it could be clearer. They should make changes just for clarification purposes.

Give more information about how to go about doing it. I had some friends look at the site to find out whom they could see at school about financial aid and we found no information.

I don't think there are really instructions to get a PIN on the first page. There was no information like that. It was too crowded.

I have no complaints. Maybe they could make the home page less confusing. It was confusing on the very first step.

Improve the navigation of the web site; there are a number of errors. Explain more about the different lines in detail.

It is good the way that it is. Make it a little clearer. Sometimes when you try to go to the next page, it takes a while or it will not connect. Overall, it is good.

Make the home page easier to read. There is too much stuff. The home page is just a mess. It is hard to read.

Making it clearer for those who aren't financially dependent on their parents. It should be easier to navigate.

The navigation from the home page was unclear. It was hard to know what page to go to from the home page.

They could add visual effects. They need more graphics. The visual presentation needs to be improved.

FAFSA Form

Clarify some of the questions. I had to go back and change some of the questions I wasn't sure of.

Consolidate some of the pages. Set it up so we could just scroll through the pages.

I was confused about where the forms were. They were not on the site and something said that I could fill out a form for 2002-2003 when that year had passed. That was very confusing to me.

Verbatim Comments continued

I was confused on the number I was supposed to put in on the credits for my taxes. The wording was confusing on where I needed to put my information.

It would help if I could review the results on the web site. I tried to view the results and I couldn't. I think that you have to call the school to view them.

Make the access more reliable. I've gone in to access it and it says there is nothing on file. I received a response from my school but I can't access my data. It would make it a lot easier for everyone for certain information to stay on file instead of filling it out again. It will make the web site a lot smoother. It will make it faster.

Make the turn around time for the PIN quicker. I had to wait two weeks and that was for a replacement PIN. Everything was pretty easy. The scrolling was kind of back and forth.

Please clear up the confusion about whether or not the information you fill in and submit without the PIN does, in fact, go into the database. Make sure it is accessible by the individual college that you are applying to. At the same time that you submit it, can the college get to it too even though you don't have the PIN number? I would like whatever I print out to be the same form that I filled out on the computer. I put a 10 on the level of confidence, but I wish it could be 100.

Simplify the questions. They should require extra documentation on each page, so it corresponds with the questions better.

The confirmation sheet didn't have the numbers. I wanted to double check what I had in the account and in CDs. I couldn't find it. The line item boxes didn't have the results. I needed to find out what I needed to adjust. If I wanted to put money in from different sources, for example \$50 in cash and \$450 from another source, it would be good to have a form that states where the money is coming from. Should I specify that some is cash, and that some is from my bank account or checking account?

The forms are tailored to typical situations so if you have an atypical situation, it makes it very difficult to fill out the forms.

The only thing that was slightly confusing was the SAR. With all my information, it kind of repeated the information on the web. It had some financial numbers, but I did not know what they were. It was a little difficult to understand and to read. Then I received another letter, and it explained everything to me. It gave all of my loan amounts.

They should clarify a few of the questions regarding the Veterans section. I have still not heard back from them. If you serve in the military for 18 months but you are still on active duty, you are not considered a Veteran. FAFSA still considers me on active duty even though I consider myself a Veteran. This just needs to be cleared up.

They should make required fields more noticeable and those that are not required less noticeable. The ones that are not required should have a little help section.

Verbatim Comments continued

They should make the site two different processes with people who are adults and people who are children. Some of the questions made it confusing about parents in the application process.

Help

Continue to clarify things, they should be really specific. I had a problem on what to do because we had a PO box and there was a question that asked only for the street address. Once I called in for support, it was cleared up. They were excellent.

I called a technical guy and he was very frustrating. He wasn't listening. They need some attitude training. Perhaps each question could have an information link on it, where you could click on it, and it would give you detailed information on what they are looking for, a pop-up help link.

I can't find answers in the FAQ's. Make it easier to find the answer or contact someone in the department to have the question answered.

I want to hear their response quicker.

PIN

Have the parents PIN included with the child's PIN. They need to have the ability to answer odd questions. My parents died and left me a home in Connecticut and I didn't know how to enter that in as a source of income. I just entered its estimated value.

I am very confused about the PIN. I just got married and my Social Security Number changed. I never got a clear answer as to what was going on. I also didn't realize that I could sign the FAFSA without a PIN. I waited for a period of three weeks and missed a couple of opportunities. I still don't think that it has been cleared up. It never registered me on the FAFSA.

I did not like how you get the PIN. It shouldn't have to be sent via e-mail. If there was some kind of prompt question where I could use my PIN instead of waiting for my PIN to come, that would be nice.

I had trouble retrieving my PIN. They could make that a little easier. I had to go to another web site and I couldn't get it. I ended up finding my old PIN. They also mailed it to me two weeks later.

It was confusing applying for a PIN and then having to wait for it.

It would be nice to get a PIN number as quickly as you get an e-mail. That way you don't have to wait. They could make the deadline a little later, so that those who fill their tax forms out later can still apply for financial aid.

Verbatim Comments continued

It would have been helpful if I could have kept the same PIN number after I changed my last name.

Let us choose the PIN number. That would be good. Then I would remember it.

Quicken the turnaround time for the PIN. I can't remember the exact time it took but it varied the last two times. If they could do it while the user is sitting there it would be much better.

The only section where I had problems was where you apply for a new PIN number. There was a problem where you enter in the year part. If they could have separated those parts, one for the last year and one for the new year, that would have been helpful.

Their PIN process needs to be more timely and you should not have to deal with it through the mail at all.

They could make it so that you don't necessarily have to have a printer to receive a PIN number.

General

Be more compatible with the IRS. You could just get the information from the IRS. This part seemed to be the most time consuming and also the biggest headache. It could also work the other way around. When you fill out your IRS form, they could ask if you wanted this information sent anywhere else or kept to be used in the future.

Does it have a search? I typed in one thing in and a lot of other things came up.

E-mail me back with information. That could be improved. For example, if I filled out a question incorrectly or if there was a mistake, they could e-mail me. I could find out this information sooner.

It would be nice to have a website where all of your options were accessible when you found out what you were entitled to in the FAFSA. It would be nice to know special programs of loan forgiveness. It would be nice if these programs were mentioned on the website. They could direct me to where I need to go to get more information.

I don't really have any complaints. When I first started school I had to fill it out by hand, and I am very pleased that I was able to fill it out on the web now. It makes it easier.

I was confused about where the forms were. They were not on the site and something said that I could fill out a form for 2002-2003 when that year had passed. That was very confusing to me.

Incorporate other government programs or applications so you only have to apply once for all of them. Then the website could see what you are qualified for.

Verbatim Comments continued

It should be shorter. It is a long process. It takes a lot of time to fill it out. I would like it to take less time.

Make a section for the people who have disabilities, or if your parents have a disability, instead of having to fill out the entire financial statement when they don't make anything but Social Security income. Stop reviewing me every time I apply for FAFSA. Don't you think that they should stop after the fourth time?

The only thing I am not satisfied with is they can't tell you how long it is going to take. I really don't know what my situation is if they don't tell me. In general, the process is quite easy. For me, it is really as fast as you can expect it to be.

There are two work sheets, A and B, maybe they could be shortened. You answer the questions in one form and then have to answer the same questions in the other form. There seem to be a lot of duplicating.

They need more advanced security. They need more person-to-person contact. I think the response time should be a little quicker between when we send the information and when we get a conformation.

They should have more links for resources for students. A lot of times, students do not know about other government agencies out there and how not to be taken by other agencies promising false scholarships.

They should provide more information on other types of programs besides the Pell Grant. They ask about work-study but it doesn't lead to more information. It's perfect otherwise.

They should recommend that the applicants keep a copy of the printed form for their records. That way they don't have to redo it if they need it. I just thought that the web site was for FAFSA and now after the survey, I think that it was also for other colleges. That should be made clearer. They should also verify what the forms are for.

We should get the approval or tell us what we are approved for on the Internet the same day. When you make a mistake, if they could call or send an e-mail that same day, it would be quicker rather than waiting for a letter.

When they don't receive something, it would be nice to know. They should let me know when this happens instead of me having to wait to find out.

Questionnaire

U.S. Department of Education Students Channel FAFSA on the Web Questionnaire

(Items in **BOLD** are interviewer instructions, and are not intended to be read to the Client)
(Items marked *i.e. or e.g.* should only be read if respondent needs clarification)

Introduction (Do not read)

- INTRO1. Hello, this is _____ calling from _____ on behalf of the United States Department of Education. May I please speak to **(name from list)**? **(If necessary: We're conducting a customer satisfaction survey and are trying to contact people who have completed the FAFSA form via the Department of Education website. FAFSA is the form most people fill out to determine their eligibility for federal loans, grants, and work-study.)**
- 1 **(Named person is on the phone, continue at INTRO4)**
 - 2 **(Named person is available, proceed at INTRO3 when respondent comes to phone)**
 - 3 **(Named person is unavailable, schedule callback)**
 - 4 **(Named person is no longer this number, use INTRO2)**
 - 9 Refused/Hung Up
- INTRO2. Is there another number at which I could reach him/her? **(If necessary: We're conducting a customer satisfaction survey and are trying to contact people who have completed the FAFSA form via the Department of Education website. FAFSA is the form used to determine a student's eligibility for federal loans, grants, and work-study.)**
- 1 **(Will provide new number)** >> Thank you and have a good day? (Contact new number)
 - 2 **(Refused to provide new number)** >> Thank you and have a good day!
- INTRO3. **(When respondent comes to phone)**
Hello, this is *[interviewer name]* calling from [data vendor], a market research firm calling on behalf of the United States Department of Education. **(Continue)**
- INTRO4. We're calling as part of an initiative the U.S. Department of Education has undertaken to improve its customers' satisfaction. Have you completed the Free Application for Federal Student Aid, or FAFSA form, via the Department of Education's website in the past two months? **(if necessary: FAFSA is the form used to determine a student's eligibility for federal loans, grants, and work-study.)**
- 1 Yes **(Continue at INTRO5)**
 - 2 No Thank you, but, for purposes of this study, we would like to talk to people who have recently used the department's website to fill out the FAFSA form. Have a nice day.
 - 3 Don't know
 - 9 Refused

Questionnaire continued

INTRO5. The Department of Education is conducting this survey with customers such as you to measure satisfaction with its products and services. I'd like to take some time now to go through this survey with you. This interview is authorized by the U.S. Office of Management and Budget, Control No. 1845-0045. Your comments will, of course, remain strictly confidential. The discussion will take about 10 minutes. Is this a good time?

- 1 Yes **(Continue with Next Question)**
- 2 No **(When would be a more convenient time for you to complete this study?)**

Home Page (Do not read)

Please keep in mind that all the questions we will be asking on the rest of this survey pertain to the FAFSA website.

Let's start out by thinking about the home page for the FAFSA site. This is the first page you see when you go to FAFSA on the web. On a scale from 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate...

- HOME1. The ease of reading the home page
- HOME2. The clarity of the web site organization
- HOME3. Your ability to find what you needed
- HOME4. The ease of navigating the web site

FAFSA Form (Do not read)

Now think about your experience filling out the FAFSA application online. On a scale from 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate...

- FORM1. The clarity of the instructions for filling out the FAFSA
- FORM2. The clarity of the questions
- FORM3. The amount of scrolling required on a page
- FORM4. Your ability to save and retrieve your application
- FORM5. The clarity of the instructions for submitting the FAFSA
- FORM6. The usefulness of the information on the confirmation page **(i.e. the page you are taken to after you submit your application)**

Help (Do not read)

When you filled out the FAFSA, did you access any of the following forms of help? (yes/no)

- ONLINE The online help sections and FAQs
- 1800 The 1-800 number
- CHAT The online chat facility

(if ONLINE, 1800, or CHAT = yes) Let's now consider the help you received. On a scale of 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate.....

Questionnaire continued

- HELP1. How informative the help was
HELP2. The time it took to answer your question
HELP3. The clarity of the information you received

PIN Application (Do not read)

We now have a few questions about obtaining and using a Personal Identification Number, or PIN, to electronically sign applications and to access and fully utilize the Department of Education's web-based features.

- PINAP1. When you filled out your FAFSA on the web, did you apply for a PIN number?
- 1 Yes
 - 2 No (**skip to next section**)
 - 3 Already have a PIN
 - 8 Don't Know (**skip to next section**)
 - 9 Refused (**skip to next section**)

Think about the PIN application process. On a scale of 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate...

- PINAP2. The ease of applying for the PIN
PINAP3. The turnaround time for receiving the PIN
PINAP4. Your ability to get a replacement or duplicate PIN

PIN Usage (Do not read)

- PINUSE1. Did you use a PIN to sign your application electronically?
- 1 Yes
 - 2 No (**skip to PINUSE5**)
 - 8 Don't Know (**skip to PINUSE5**)
 - 9 Refused (**skip to PINUSE5**)

Using the same 1 to 10 scale, how would your rate...

- PINUSE2. The ease of using the electronic signature process
PINUSE3. Your ability to have your parents sign electronically
PINUSE4. The turnaround time for your signature to be verified
PINUSE5. Did you know that you can use your PIN to view your data or make corrections to your FAFSA information?
- 1 Yes
 - 2 No (**skip to next section**)
 - 8 Don't Know (**skip to next section**)
 - 9 Refused (**skip to next section**)

Using the same 1 to 10 scale where 1 is "poor" and 10 is "excellent", how would you rate...

- PINUSE6. The ease of using your PIN to access your FAFSA information

Questionnaire continued

ACSI Benchmark Questions (Do not read)

- ACSI1. Using a 10-point scale on which "1" means "very dissatisfied" and 10 means "very satisfied", how satisfied are you with the FAFSA process on the web?
- ACSI2. Using a 10-point scale on which "1" now means "falls short of your expectations" and "10" means "exceeds your expectations," to what extent did the FAFSA process on the web fall short of or exceed your expectations?
- ACSI3. Imagine what an ideal website for applying for grants, loans, and work-study would be like. How well do you think the FAFSA process on the web compares with the ideal you just imagined? Please use a 10-point scale on which "1" means "not at all close to the ideal," and "10" means "very close to the ideal."

Outcome Measures (Do not read)

- CONF1. Using a scale of 1 to 10 where "1" means "not at all confident" and "10" means "completely confident", how confident are you that your information on the website is secure and that it reached the intended target?
- REPT1. Using a scale of 1 to 10 where "1" means "not at all likely" and "10" means "very likely", how likely would you be to use the website to apply for financial aid in the future?
- RCMD1. Finally, using the same 1-to-10 scale, how likely would you be to recommend the website to others that might have a need for it?
- COMP1. In the past six months, have you registered a complaint with the Department of Education about the FAFSA application?
- 1 Yes
 - 2 No
 - 8 Don't Know
 - 9 Refused

Closing (Do not read)

- CNCL1. To help us better understand the users of the department's website, we would like to know what your level of experience is with the internet. How long have you been using the internet?
- 1 less than a year,
 - 2 1-2 years, or
 - 3 over 2 years
- CNCL2. In your own words, what could the Department of Education do to improve the FAFSA process on the web? **(enter verbatim response)**

Those are all the questions I had for you. Thank you for your time, and have a good day.

COD

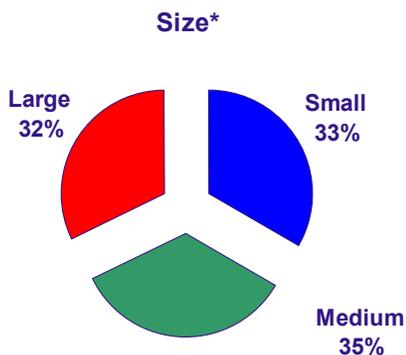
Research Summary

Research Process

The project began with development of the 2003 COD questionnaire, which drew upon discussions with FSA staff and prior research in other areas of the Schools Channel from 2000 and 2001. A third-party data collection company, PGM Incorporated of Orem, Utah, interviewed 250 COD customers by phone in July of 2003. The respondents were selected at random from a sample list provided by FSA.

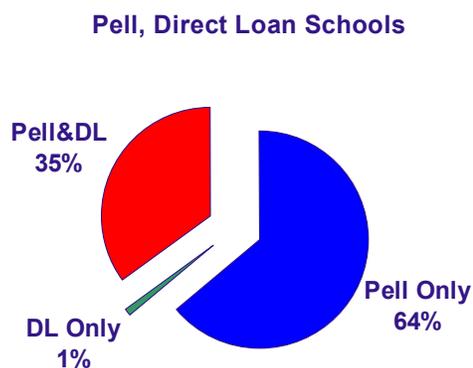
Among those who responded to the survey, 171 (68%) reported that they had accessed the COD website within the past 12 months. The survey sample was evenly divided among respondents from small, medium and large schools (in terms of total disbursements for 2003, as defined by FSA COD staff. See figure 1a.). Nearly all the respondents represent schools that administer Pell Grants; a large majority represented Pell-only schools that do not administer the Direct Loan Program (Figure 1b).

Figure 1a: Respondent Profile by School Disbursement Totals for 2003



*Disbursement Category Definitions:
 Small: \$0-520,000
 Medium: \$520,001-2.5 million
 Large: over \$2.5 million

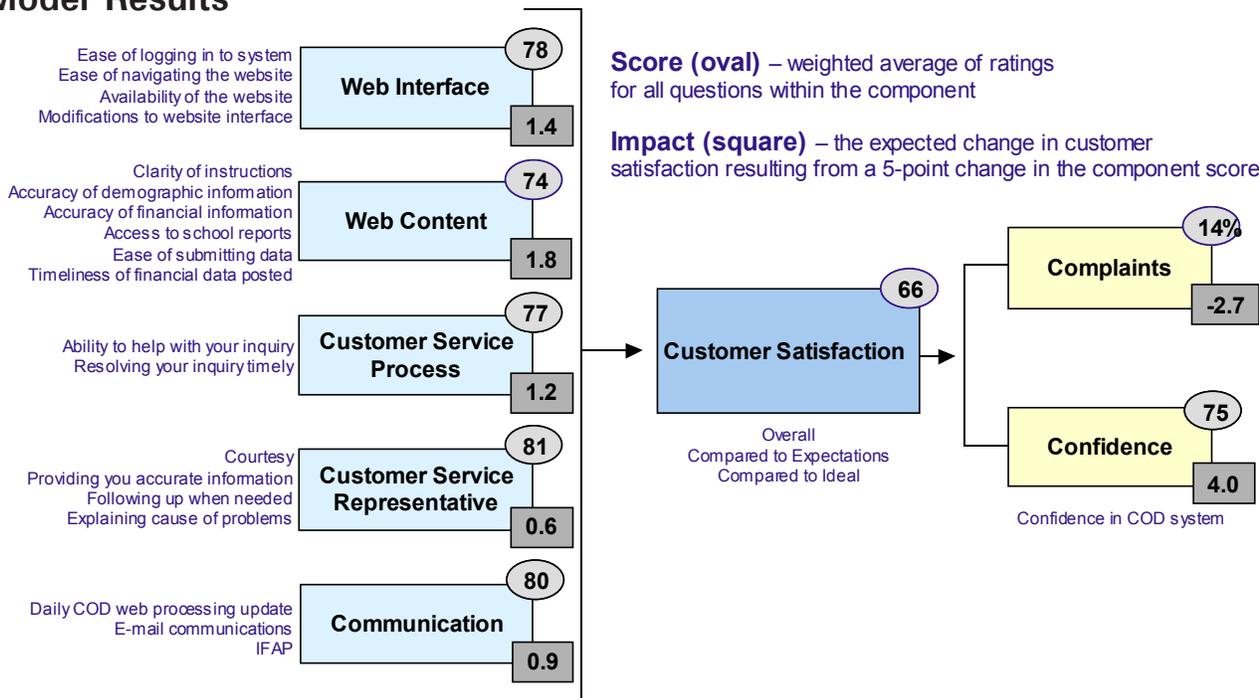
Figure 1b: Respondent Profile by Programs Administered



When all the interviews were complete, the data were sent to CFI Group for analysis using the ACSI cause-and-effect methodology. Results of that analysis follow.

Research Summary continued

Model Results



The figure above shows the complete satisfaction model for COD customers. This is a “cause-and-effect” model where the components of the customer experience (**Web Interface**, the **Customer Service Process**, **Communication** etc.) influence the **Customer Satisfaction** index, which in turn drives changes in customer behaviors like **Complaints**, and attitudes such as their **Confidence** in the accuracy of the data in the COD system. Each component is made up of a group of questions from the survey related to a particular area; for example, the **Web Content** component is comprised of questions asking respondents to rate the “Clarity of instructions,” “Access to school reports,” “Accuracy of demographic information” and so on.

Improvements in any of the left hand side components will have a positive influence on customer satisfaction. These can be quantified by the component’s **impact**. The impact represents the amount by which satisfaction would increase if a component were to improve by 5 points. For example, if **Communication** were to improve from 80 to 85, **Customer Satisfaction** would improve by 0.9 points (from 66 to 66.9), the amount of the impact of Communication on the CSI. Impacts represent the *independent* effect of each quality component on the CSI (i.e, the effect with “all else being equal”), and are also *additive* - that is, improvements in several components will cause the CSI to go up by the sum of their impacts.

Likewise, if customers’ Satisfaction were to rise 5 points, the model predicts that the scores for **Complaints** and **Confidence** would change by the amount of their impacts (-2.7 and 4.0, respectively). In the case of **Complaints**, the impact value is negative; this implies that as customers become more satisfied, the number of complaints will decrease.

Note that the CSI, at 66, is lower in score than any of the components that influence it in the model. The **Customer Satisfaction** index is measured independently of the quality components with three survey questions (overall satisfaction, satisfaction compared to expectations, and satisfaction compared to an “ideal”); it is not an average or an index of the scores for the model components themselves.

Research Summary continued

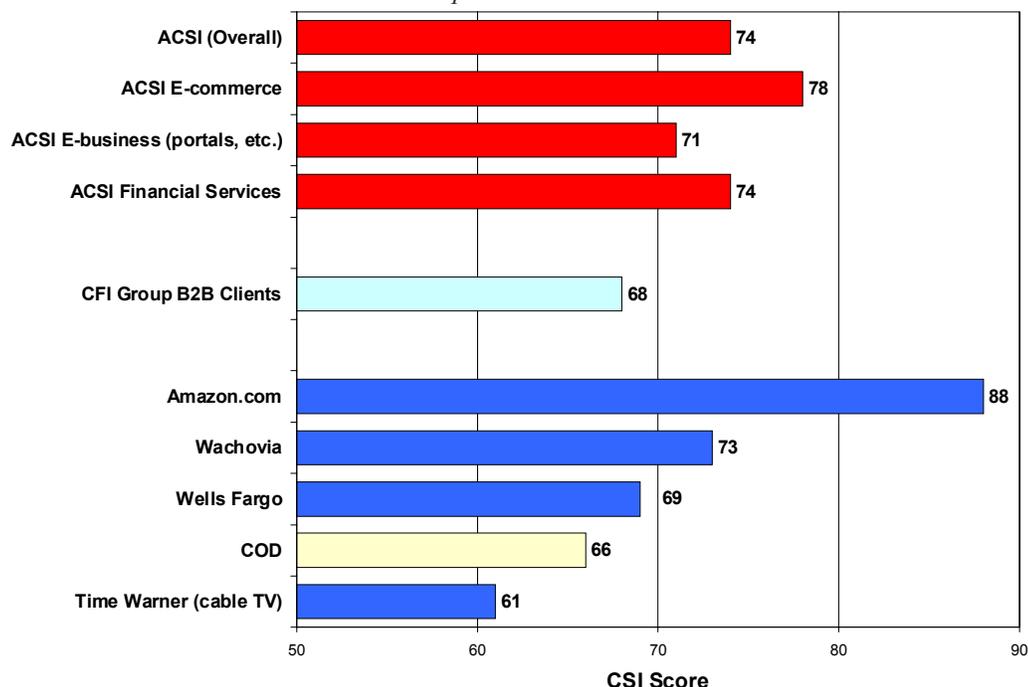
There may be factors outside the model that “suppress” customer satisfaction and account for satisfaction score being lower than that of the components, but which have little to do with the functionality of the COD system itself. One such factor mentioned frequently by respondents to the survey in open-ended comments is a resentment of the frequent changes to FSA’s origination and disbursement systems, with COD as only the latest example. However, the key point is that improvements in the model components will drive increases in customer satisfaction, regardless of these other factors.

Satisfaction Benchmarks

The current COD satisfaction score of 66 may sound less than impressive, and certainly there is room for improvement. However, on the whole this score reflects a solid and reasonable level of performance, particularly in light of the relatively higher scores COD receives for the specific areas represented by the model components. Note that the score of 66 is simply a score; it is not equivalent to “66% customer satisfaction,” or to a C or D grade on a high school exam.

Because the questions used to measure customer satisfaction in the COD survey are the same as those used in the ACSI and by CFI Group in all its client work, a variety of benchmarks are available to put COD’s July 2003 score in perspective. Figure 2 below presents ACSI scores for the U.S. economy as a whole, for various sectors of the economy, and several consumer firms.

Figure 2: 2003 ACSI Benchmarks (Aggregate and Private Sector);
CFI Group B2B Benchmark Index



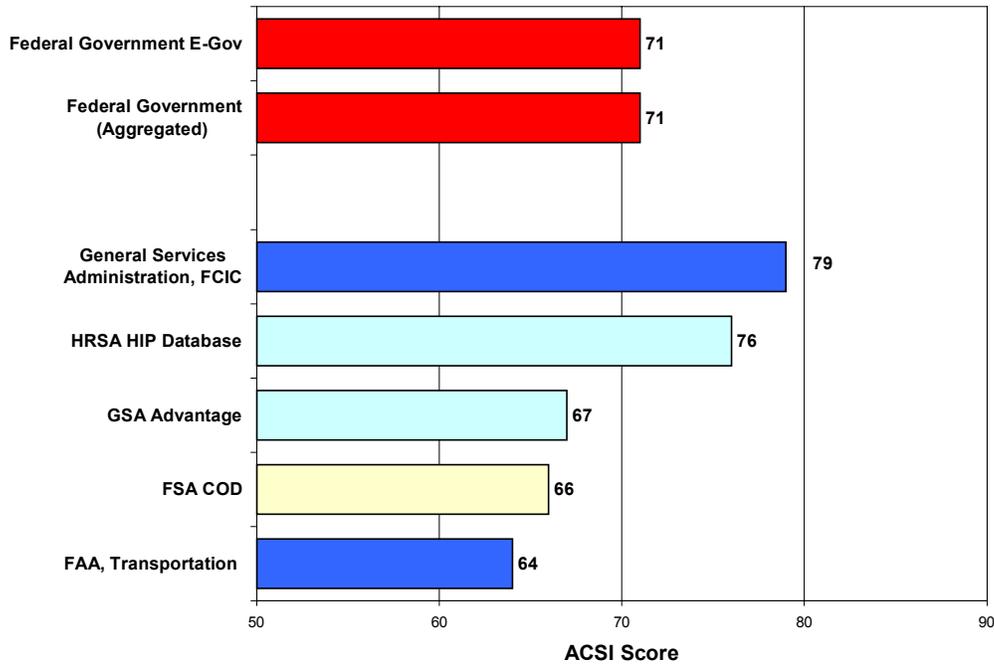
Though COD scores toward the low end of the range, it outscores some consumer services. This is particularly impressive since consumer goods and services generally score 5 points or so higher than business to business (B2B) and government to business (G2B) goods and services.

In this regard, a more pertinent benchmark for COD is the index of B2B customer satisfaction scores among CFI Group clients shown in the center of the graph. Presently COD’s score falls only two points below this index.

Research Summary continued

COD does score somewhat lower than other organizations and services within the Federal government measured in the ACSI and by CFI Group, however. The 2003 score for Federal government services as a whole stands at 71, and the September 2003 “E-gov” ACSI index of federal agencies’ general web sites scores a 71 (Figure 3). Among the most relevant comparisons

Figure 3: 2003 ACSI Benchmarks - Federal Government



to COD among these services is the Health Resources and Services Administration’s HIP database (used by hospital administrators to monitor physicians’ licensing and credentials) and the General Services Administration’s Advantage website (used by government employees to work with vendors and contractors). Both score better than COD at the moment, HRSA’s HIP database fully 10 points better.

The point of benchmarking is not, of course, to become engaged in a ‘horse race’ mentality. Each private- and public- sector organization faces its own unique set of challenges and opportunities in attempting to satisfy its customer base. But benchmarking does provide a sense of how much potential for improvement exists, and may help to identify organizations which could be consulted for sharing of best practices.

Research Summary continued

Score Comparisons to 2001

Prior satisfaction surveys in the year 2000 and in 2001 for the FSA Schools Channel asked some questions about the Aid Origination and Disbursement process that are similar to some of the attributes found in the Web Content component in the 2003 COD survey. While comparisons to these items are not exact, they do provide a sense of how well COD performs relative to systems that were in place previously. Results appear in the table below.

Score Comparison: Attributes common to COD Web Content component and 2001 Origination/Disbursement component

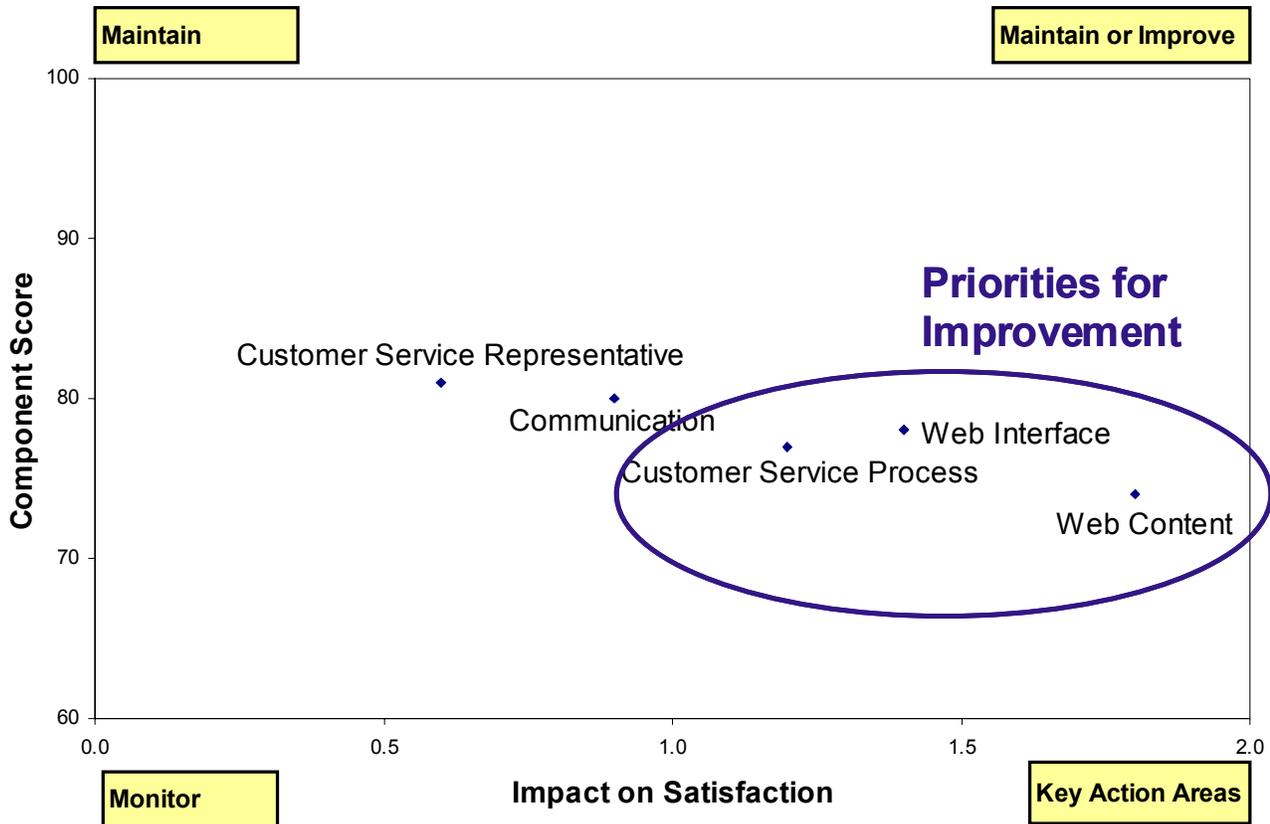
	2003	2001
Clarity of the instructions	70	78
Accuracy of the demographic information	78	84*
Accuracy of the financial information	75	81
Ease of submitting data	75	81

**Comparison to 2001 attribute, "Accuracy of records from school reports."*

All of the attributes common to both COD and previous aid origination and disbursement processes score several points lower in 2003 with COD than in 2001. All the differences shown here are statistically significant at the 90% level of confidence. Furthermore, the component scores for Web Interface (78) and Web Process (74) for COD are significantly lower than the Aid Origination and Disbursement component in the 2001 survey, which scored 82. Certainly some of these declines can be attributed to customers' need to adjust to the new web-based system, and may be expected to rise over time as they become more familiar with COD. However, the differences also suggest that for users, the transition to COD has not been an entirely smooth one and improvements to COD may be required to raise customers' ratings of the origination and disbursement process to 2001 levels.

Research Summary continued

Improvement Priorities



The diagram above combines the score and impact information from the satisfaction model analysis to provide guidance about where to focus efforts to improve satisfaction. Generally speaking, those components with relatively high impact and relatively low score (falling to the lower right side of the diagram) should be the highest priority for improvement. Those with higher scores and lower impacts (in the upper left hand quadrant of the diagram) should be the lowest priority.

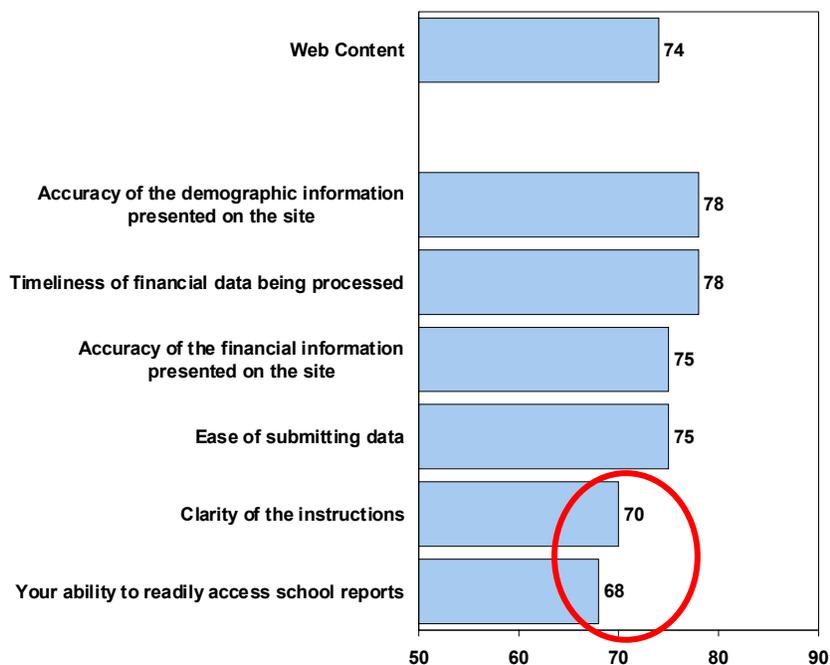
While the diagram provides information about where to focus improvement efforts first, this does not mean that lower-priority areas are not *important*. Large changes in performance levels on any component (e.g., 10 points or more, either up or down) will likely affect the customer satisfaction score, even if the component(s) in question have a relatively small impact.

The diagram suggests that three areas are good candidates for improvement initiatives to drive improvement in COD customer satisfaction: the COD site's **Web Content**, the **Web Interface**, and the **Customer Service Process**. Each of these components has a relatively high impact on the CSI, and their scores show room for improvement. Even if no improvement initiatives are taken to improve performance in these areas, FSA should work to ensure that performance does not fall off from current levels. This is because the logic of the component impacts on satisfaction works on the downside as well as the upside. If performance slips among these components, COD customer satisfaction will fall just as readily as it would rise in response to improved performance.

An examination of the attributes making up each of these high-leverage components offers further guidance about where to consider focusing improvement initiatives. Figure 4 (facing page)

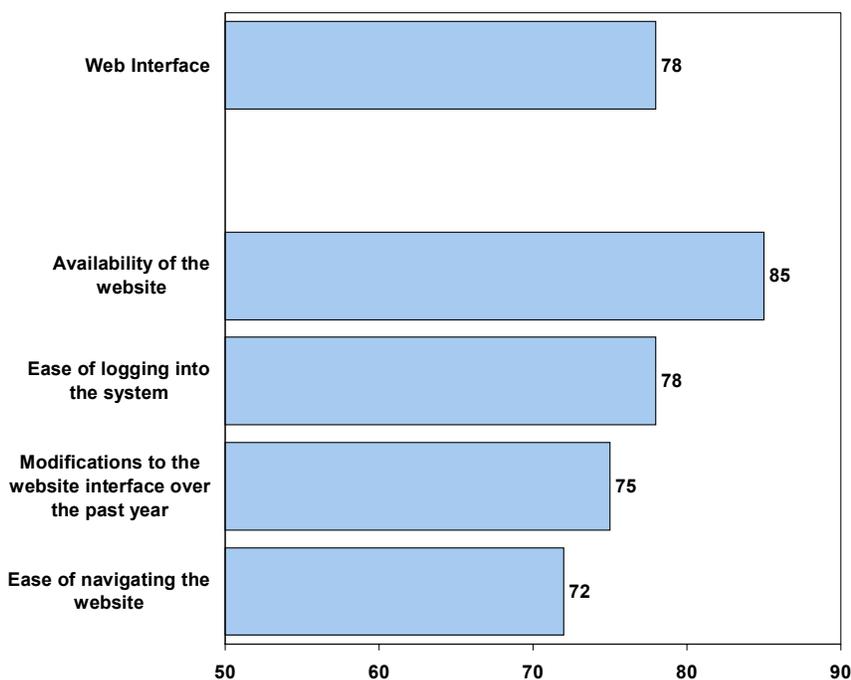
Research Summary continued

Figure 4: Web Content Component and Attribute Scores



shows the scores for the individual attributes comprising the Web Content component. Among these attributes, “clarity of instructions” and the “ability to readily access school reports” score the lowest and therefore may be the best first option for improvement efforts. Many respondents to the survey mentioned these issues when asked for comments; a typical response was “I still don’t have access to the reports. I thought that was supposed to be up and running now. I call and they can’t even tell me when it will be active. That’s very frustrating.”

Figure 5: Web Interface Component and Attribute Scores



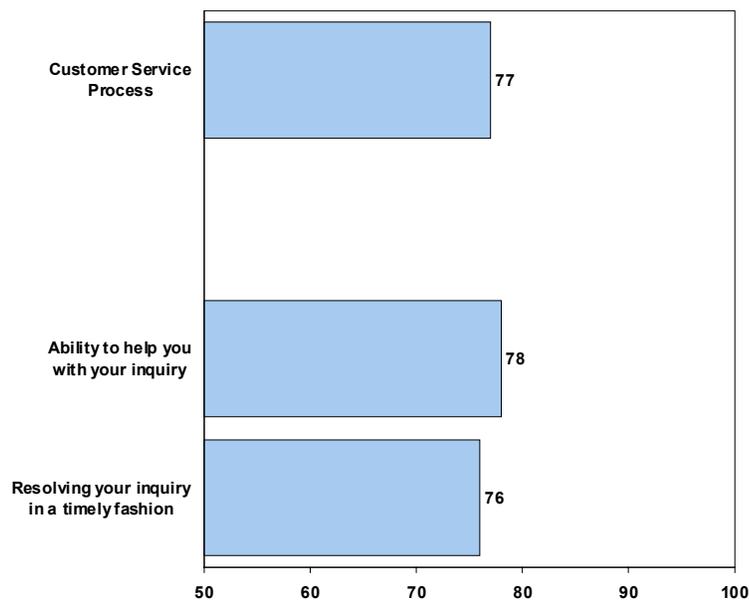
Although the Web Interface for COD scores very well at 78, scores for its attributes vary (Figure 5). While respondents find the system to be readily available and reasonably easy to log into, they find it somewhat more difficult to navigate the website once they have logged in. Drastic measures to improve the COD site navigation are not called for; navigation scores may increase on their own over time as users become more familiar with the system, and a major overhaul of the system would likely create a great deal of confusion and frustration among users. However, FSA may wish to explore ways to incrementally improve the ease of navigation of the COD site.

Research Summary continued

The score for the Customer Service Process, 77, is also indicative of solid performance, though here again there is room for improvement and/or actions to help maintain current performance levels. Any actions to improve customer service representatives' performance on "ability to help with inquiries" and "resolving inquiries in a timely fashion" (Figure 6) will help to shore up the score on this component and potentially drive improvement in the overall satisfaction score.

In addition to this information about priorities among the model components for driving COD

Figure 6: Customer Service Process Component and Attribute Scores



Research Summary continued

user satisfaction, the survey data also reveal significant differences in ratings across customer groups by the size of the institution (in terms of total loan disbursements in 2003) they represent. Figure 7 (below) shows scores for all the elements of the satisfaction model by size of institution. Across all the elements a clear pattern emerges: the larger the institution, the lower the ratings COD receives from respondents. All the elements show a significant effect for “size of institution” in a formal statistical test called Analysis of Variance (ANOVA) at the 90% level of confidence. Not surprisingly, respondents at large institutions also reported a much higher complaint rate than those at small and medium-sized institutions. Fully 28% of respondents from large institutions reported that they had complained about COD in the past 6 months, compared with 7% of respondents from small- and medium- sized institutions (see Figure 1a on page C-11 for institution size definitions).

These findings suggest an additional strategy for FSA to consider as it seeks to improve

Figure 7: Satisfaction Model results by respondent’s institution size



overall customer satisfaction with COD in addition to a focus on high-leverage components like Web Content and the Customer Service Process. Specifically, FSA may wish to consider designing initiatives to address the particular needs and concerns of users at larger institutions, where dissatisfaction with COD is the most acute.

Conclusions & Recommendations

General Conclusions

The July 2003 customer satisfaction score for COD of 66, while low relative to pertinent benchmarks and to ratings seen on previous U.S. Department of Education aid origination and disbursement systems, is nonetheless reasonably strong. Furthermore, the fact that the components of the satisfaction model score in the 70s and 80s suggest that there are other factors “suppressing” the overall satisfaction score in a way that belies customers’ true opinion of the system’s features and functionality. The most pronounced among these factors is a great deal of customer frustration with the frequent changes in FSA’s systems for aid origination and disbursement. Customer satisfaction scores for COD are likely to rise as users become more accustomed to COD and as the shock of changes in the systems begins to wear off.

Nothing in the data suggests that radical changes to COD will be required to help drive higher levels of customer satisfaction in the future. However, there are certainly actions that FSA can take proactively to increase satisfaction. Incremental improvements in the COD site’s Web Interface and Web Content, together with continuing efforts in the Customer Service Process, offer the best opportunities to improve customer satisfaction.

Recommendations

The survey results point to several general recommendations to help FSA improve customer satisfaction with COD. The recommendations are arranged by component in the order of their potential for driving increased customer satisfaction.

Web Content - Highest Priority for Improvement

FSA should strongly consider improving the COD site Web Content by:

- Resolving any outstanding technical issues related to the accessibility of school reports. As solutions come on-line, they should be communicated as quickly and broadly as possible to the COD user community to maximize their impact on customer satisfaction.
- Addressing the clarity of instructions issue by consulting with actual users of the COD system. The instructions may then be revised with this feedback in mind. The procedure for getting such feedback may be informal, such as reviewing call logs from the customer service center or the verbatim customer comments collected in this survey; or more formal and structured, such as user focus groups or narrowly targeted on-line surveys.

Web Interface - Maintain or Improve Performance

To shore up and perhaps improve performance in this area, FSA might:

- Explore ways to modify the structure or layout of the COD web pages to make navigation more intuitive for users. As is the case with the clarity of instructions issue discussed above, user feedback collected formally or informally would be particularly helpful in designing effective solutions.
- Identify high-performing websites in the public or private sector to single out best web practices that might be applied to the COD web site. The “E-gov” ACSI research from September 2003 (reported at www.theacsi.org) could be a starting point for identifying such sites within the Federal government.

Conclusions & Recommendations continued

Customer Service Process - Maintain or Improve Performance

The Customer Service Representatives have a large role to play in helping customers become more comfortable using COD for aid origination and disbursement. FSA should consider sharing the results of the study with its COD CSRs, both to congratulate them on their solid ratings and to give them the best possible sense of how their own actions can help address customers' frustrations with the current state of affairs. As the human face of a new technology solution, the Customer Service Representatives have the potential to help customers acclimate to COD by:

- "Hand-holding" them through the new process.
- Redeeming customer dissatisfaction with COD through timely and effective problem resolution.

Indeed, the Customer Service Process provides an opportunity to increase satisfaction levels: generally speaking, customers who have a problem that is resolved well actually end up more satisfied than customers who never report a problem to begin with.

To realize the CSR's potential to help improve customer satisfaction, FSA will at the least want to ensure that they continue to meet current performance levels. Preferably, if possible FSA should work to improve the Customer Service Process by:

- Evaluating its call center systems and CSR training with the goal to empower CSR's to handle questions immediately and accurately, without the need to transfer customers to another representative or a supervisor.
- Emphasizing "first call" or "one call" resolution of customer issues where possible. First-call resolution of concerns serves not only to stave off bad ratings from customers, but also can help to redeem weak performance in other service areas. There are of course many instances where first-call resolution will not be feasible or even possible if "first call" means "while the customer is on the line." In such cases, "one-call" resolution, where the customer calls once, understands what the resolution will be, what follow-up to expect, etc. would be another powerful tactic for COD CSRs to drive customer satisfaction.

Large Customers - High Priority

In addition to these recommendations regarding aspects of COD that affect all customers, FSA might consider working to understand and address the specific needs of customers at large institutions. As noted above, these customers score much lower on all the satisfaction model elements and obviously have particular concerns that are not well addressed at the present time. Understanding and addressing these issues would do much to help raise COD's overall satisfaction score.

Communication with COD Customers

Finally, any improvement efforts FSA undertakes to improve COD will meet with the greatest success if lines of communication to the customer are kept open. FSA will succeed in raising satisfaction scores to the extent that it engages in an active dialogue with its customers. This dialogue can take many forms: through its CSRs and other customer-facing staff, through formal survey efforts such as this study, and as many other formal and informal methods as may be

Conclusions & Recommendations continued

available. The results of the study itself, outlining key findings and any action plans, can be disseminated to COD customers as a first step in this process. Furthermore, during the survey many respondents volunteered to be contacted by FSA regarding their experiences with COD. These users can be solicited for feedback and enlisted for their assistance on any improvement efforts FSA chooses to pursue.

Score Detail and Segmentation

All Customers

	Aggregate 2003
Customer Satisfaction	66
Overall satisfaction	69
Meet your expectations	62
Ideal relationship	66
Web Interface	78
Ease of logging into the system	78
Ease of navigating the website	72
Availability of the website	85
Modifications to the website interface over the past year	75
Web Content	74
Clarity of the instructions	70
Accuracy of the demographic information presented on the site	78
Accuracy of the financial information presented on the site	75
Your ability to readily access school reports	68
Ease of submitting data	75
Timeliness of financial data being processed	78
Customer Service Process	77
Ability to help you with your inquiry	78
Resolving your inquiry in a timely fashion	76
Customer Service Representative	81
Courtesy	90
Providing you accurate information	79
Following up on your inquiry when needed	80
Explaining the cause of the problems you experienced	73
Communication	80
Daily COD Web Processing Update	74
E-mail customer service communications	81
IFAP	84
Confidence in COD system	75
Confidence in the accuracy of the information in the COD system	75
Complained about COD (percent)	14
Complained about any aspect of the COD process	14
Sample Size	245

Score Detail and Segmentation continued

Respondent's Institution Size (Total 2003 Disbursements)

*Disbursement Category Definitions: Small: \$0-520,000;
Medium: \$520,001-2.5 million; Large: over \$2.5 million*

	Small	Medium	Large
Customer Satisfaction	71	66	59
Overall satisfaction	76	69	61
Meet your expectations	66	63	56
Ideal relationship	71	67	61
Web Interface	81	79	74
Ease of logging into the system	77	79	76
Ease of navigating the website	76	75	67
Availability of the website	91	86	80
Modifications to the website interface over the past year	81	75	71
Web Content	81	76	69
Clarity of the instructions	76	70	66
Accuracy of the demographic information presented on the site	83	80	74
Accuracy of the financial information presented on the site	86	80	63
Your ability to readily access school reports	76	69	63
Ease of submitting data	83	75	70
Timeliness of financial data being processed	85	80	72
Customer Service Process	87	78	70
Ability to help you with your inquiry	90	78	70
Resolving your inquiry in a timely fashion	85	77	70
Customer Service Representative	90	80	77
Courtesy	94	89	88
Providing you accurate information	92	79	72
Following up on your inquiry when needed	86	78	78
Explaining the cause of the problems you experienced	88	70	68
Communication	83	81	77
Daily COD Web Processing Update	76	73	73
E-mail customer service communications	84	80	77
IFAP	86	86	80
Confidence in COD system	83	75	67
Confidence in the accuracy of the information in the COD system	83	75	67
Complained about COD (percent)	7	7	28
Complained about any aspect of the COD process	7	7	28
Sample Size	82	84	79

Score Detail and Segmentation continued

Complaint Behavior

	Complained about COD process	Have not complained about COD process	Significant Difference (90% conf. Level)
Customer Satisfaction	46	69	Yes
Overall satisfaction	46	72	Yes
Meet your expectations	42	65	Yes
Ideal relationship	49	69	Yes
Web Interface	73	78	Yes
Ease of logging into the system	74	78	
Ease of navigating the website	69	73	
Availability of the website	80	86	
Modifications to the website interface over the past year	68	76	
Web Content	62	77	Yes
Clarity of the instructions	63	72	
Accuracy of the demographic information presented on the site	68	80	Yes
Accuracy of the financial information presented on the site	54	79	Yes
Your ability to readily access school reports	59	70	
Ease of submitting data	64	78	Yes
Timeliness of financial data being processed	63	81	Yes
Customer Service Process	56	82	Yes
Ability to help you with your inquiry	57	82	Yes
Resolving your inquiry in a timely fashion	54	81	Yes
Customer Service Representative	68	84	Yes
Courtesy	84	91	
Providing you accurate information	61	83	Yes
Following up on your inquiry when needed	66	83	Yes
Explaining the cause of the problems you experienced	56	77	Yes
Communication	67	82	Yes
Daily COD Web Processing Update	62	76	Yes
E-mail customer service communications	66	83	Yes
IFAP	73	86	Yes
Confidence in COD system	53	78	Yes
Confidence in the accuracy of the information in the COD system	53	78	Yes
Complained about COD (percent)	100	--	
Complained about any aspect of the COD process	100	--	
Sample Size	34	211	

Score Detail and Segmentation continued

Contact with COD School Relations

	Called COD School Relations for program or technical assistance	COD School Relations for program or technical assistance	Significant Difference (90% conf. level)
Customer Satisfaction	64	68	
Overall satisfaction	67	73	Yes
Meet your expectations	61	64	
Ideal relationship	65	68	
Web Interface	77	79	
Ease of logging into the system	77	79	
Ease of navigating the website	71	77	
Availability of the website	86	82	
Modifications to the website interface over the past year	74	81	Yes
Web Content	74	77	
Clarity of the instructions	70	73	
Accuracy of the demographic information presented on the site	78	81	
Accuracy of the financial information presented on the site	74	79	
Your ability to readily access school reports	67	74	
Ease of submitting data	74	82	Yes
Timeliness of financial data being processed	78	78	
Customer Service Process	77	--	
Ability to help you with your inquiry	78	--	
Resolving your inquiry in a timely fashion	76	--	
Customer Service Representative	81	--	
Courtesy	90	--	
Providing you accurate information	79	--	
Following up on your inquiry when needed	80	--	
Explaining the cause of the problems you experienced	73	--	
Communication	79	82	
Daily COD Web Processing Update	74	73	
E-mail customer service communications	80	82	
IFAP	84	84	
Confidence in COD system	74	76	
Confidence in the accuracy of the information in the COD system	74	76	
Complained about COD (percent)	17	6	Yes
Complained about any aspect of the COD process	17	6	Yes
Sample Size	166	79	

Score Detail and Segmentation continued

Accessed COD Website

	Accessed COD website in past 12 months	Have not accessed COD website in past 12 months	Significant Difference (90% conf. Level)
Customer Satisfaction	65	68	
Overall satisfaction	68	70	
Meet your expectations	61	63	
Ideal relationship	65	71	Yes
Web Interface	78	--	
Ease of logging into the system	78	--	
Ease of navigating the website	72	--	
Availability of the website	85	--	
Modifications to the website interface over the past year	75	--	
Web Content	74	--	
Clarity of the instructions	70	--	
Accuracy of the demographic information presented on the site	78	--	
Accuracy of the financial information presented on the site	75	--	
Your ability to readily access school reports	68	--	
Ease of submitting data	75	--	
Timeliness of financial data being processed	78	--	
Customer Service Process	76	84	Yes
Ability to help you with your inquiry	76	87	Yes
Resolving your inquiry in a timely fashion	75	81	
Customer Service Representative	80	86	
Courtesy	89	90	
Providing you accurate information	78	88	Yes
Following up on your inquiry when needed	79	84	
Explaining the cause of the problems you experienced	72	79	
Communication	79	83	
Daily COD Web Processing Update	75	73	
E-mail customer service communications	80	83	
IFAP	84	85	
Confidence in COD system	75	75	
Confidence in the accuracy of the information in the COD system	75	75	
Complained about COD (percent)	16	7	Yes
Complained about any aspect of the COD process	16	7	Yes
Sample Size	171	71	

Score Detail and Segmentation continued

Respondents from Schools Administering Direct Loans

	Direct Loan Schools
Customer Satisfaction	62
Overall satisfaction	64
Meet your expectations	58
Ideal relationship	64
Web Interface	75
Ease of logging into the system	78
Ease of navigating the website	69
Availability of the website	81
Modifications to the website interface over the past year	70
Web Content	69
Clarity of the instructions	67
Accuracy of the demographic information presented on the site	75
Accuracy of the financial information presented on the site	64
Your ability to readily access school reports	64
Ease of submitting data	71
Timeliness of financial data being processed	72
Customer Service Process	67
Ability to help you with your inquiry	68
Resolving your inquiry in a timely fashion	66
Customer Service Representative	75
Courtesy	87
Providing you accurate information	70
Following up on your inquiry when needed	74
Explaining the cause of the problems you experienced	63
Communication	79
Daily COD Web Processing Update	74
E-mail customer service communications	80
IFAP	82
Confidence in COD system	69
Confidence in the accuracy of the information in the COD system	69
Complained about COD (percent)	27
Complained about any aspect of the COD process	27
Sample Size	88

Score Detail and Segmentation continued

Respondents from Schools Administering Pell Grants

	Pell Grant Schools
Customer Satisfaction	66
Overall satisfaction	69
Meet your expectations	62
Ideal relationship	67
Web Interface	77
Ease of logging into the system	78
Ease of navigating the website	72
Availability of the website	85
Modifications to the website interface over the past year	75
Web Content	75
Clarity of the instructions	70
Accuracy of the demographic information presented on the site	79
Accuracy of the financial information presented on the site	76
Your ability to readily access school reports	69
Ease of submitting data	76
Timeliness of financial data being processed	78
Customer Service Process	77
Ability to help you with your inquiry	78
Resolving your inquiry in a timely fashion	76
Customer Service Representative	81
Courtesy	90
Providing you accurate information	79
Following up on your inquiry when needed	80
Explaining the cause of the problems you experienced	73
Communication	80
Daily COD Web Processing Update	74
E-mail customer service communications	81
IFAP	84
Confidence in COD system	75
Confidence in the accuracy of the information in the COD system	75
Complained about COD (percent)	13
Complained about any aspect of the COD process	13
Sample Size	238

Score Detail and Segmentation continued

Respondents from Schools Administering Both Pell Grants & Direct Loans

	Schools with Both Pell Grant and Direct Loan
Customer Satisfaction	62
Overall satisfaction	64
Meet your expectations	58
Ideal relationship	64
Web Interface	74
Ease of logging into the system	77
Ease of navigating the website	68
Availability of the website	80
Modifications to the website interface over the past year	69
Web Content	69
Clarity of the instructions	66
Accuracy of the demographic information presented on the site	76
Accuracy of the financial information presented on the site	65
Your ability to readily access school reports	64
Ease of submitting data	70
Timeliness of financial data being processed	73
Customer Service Process	66
Ability to help you with your inquiry	67
Resolving your inquiry in a timely fashion	65
Customer Service Representative	74
Courtesy	86
Providing you accurate information	69
Following up on your inquiry when needed	73
Explaining the cause of the problems you experienced	61
Communication	79
Daily COD Web Processing Update	74
E-mail customer service communications	80
IFAP	82
Confidence in COD system	70
Confidence in the accuracy of the information in the COD system	70
Complained about COD (percent)	27
Complained about any aspect of the COD process	27
Sample Size	85

Score Detail and Segmentation continued

Respondents from Full Participation Schools (Pell and/or DL)

	Pell Grant and/or Direct Loan - Full Participation
Customer Satisfaction	66
Overall satisfaction	69
Meet your expectations	62
Ideal relationship	67
Web Interface	78
Ease of logging into the system	77
Ease of navigating the website	71
Availability of the website	87
Modifications to the website interface over the past year	76
Web Content	76
Clarity of the instructions	71
Accuracy of the demographic information presented on the site	81
Accuracy of the financial information presented on the site	78
Your ability to readily access school reports	70
Ease of submitting data	77
Timeliness of financial data being processed	80
Customer Service Process	79
Ability to help you with your inquiry	80
Resolving your inquiry in a timely fashion	78
Customer Service Representative	83
Courtesy	91
Providing you accurate information	81
Following up on your inquiry when needed	83
Explaining the cause of the problems you experienced	74
Communication	81
Daily COD Web Processing Update	74
E-mail customer service communications	82
IFAP	84
Confidence in COD system	76
Confidence in the accuracy of the information in the COD system	76
Complained about COD (percent)	12
Complained about any aspect of the COD process	12
Sample Size	131

Score Detail and Segmentation continued

Respondents from Legacy Schools (Pell and/or DL)

	Pell Grant and/or Direct Loan - Legacy
Customer Satisfaction	67
Overall satisfaction	70
Meet your expectations	63
Ideal relationship	68
Web Interface	79
Ease of logging into the system	77
Ease of navigating the website	73
Availability of the website	88
Modifications to the website interface over the past year	77
Web Content	77
Clarity of the instructions	71
Accuracy of the demographic information presented on the site	81
Accuracy of the financial information presented on the site	80
Your ability to readily access school reports	71
Ease of submitting data	78
Timeliness of financial data being processed	81
Customer Service Process	82
Ability to help you with your inquiry	85
Resolving your inquiry in a timely fashion	80
Customer Service Representative	86
Courtesy	92
Providing you accurate information	85
Following up on your inquiry when needed	84
Explaining the cause of the problems you experienced	78
Communication	81
Daily COD Web Processing Update	73
E-mail customer service communications	81
IFAP	85
Confidence in COD system	77
Confidence in the accuracy of the information in the COD system	77
Complained about COD (percent)	8
Complained about any aspect of the COD process	8
Sample Size	100

Score Detail and Segmentation continued

Respondents from Pell Grant Schools - no Direct Loan

	Schools with Pell Grant Only (no Direct Loan)
Customer Satisfaction	68
Overall satisfaction	72
Meet your expectations	64
Ideal relationship	68
Web Interface	80
Ease of logging into the system	78
Ease of navigating the website	74
Availability of the website	88
Modifications to the website interface over the past year	79
Web Content	78
Clarity of the instructions	73
Accuracy of the demographic information presented on the site	81
Accuracy of the financial information presented on the site	82
Your ability to readily access school reports	72
Ease of submitting data	79
Timeliness of financial data being processed	81
Customer Service Process	84
Ability to help you with your inquiry	85
Resolving your inquiry in a timely fashion	83
Customer Service Representative	86
Courtesy	92
Providing you accurate information	86
Following up on your inquiry when needed	85
Explaining the cause of the problems you experienced	80
Communication	81
Daily COD Web Processing Update	74
E-mail customer service communications	82
IFAP	85
Confidence in COD system	78
Confidence in the accuracy of the information in the COD system	78
Complained about COD (percent)	6
Complained about any aspect of the COD process	6
Sample Size	153

Score Detail and Segmentation continued

Respondents Pell-Only Schools - Full Participation

	Pell Grant Only - Full Participation
Customer Satisfaction	68
Overall satisfaction	71
Meet your expectations	64
Ideal relationship	69
Web Interface	80
Ease of logging into the system	78
Ease of navigating the website	74
Availability of the website	88
Modifications to the website interface over the past year	76
Web Content	78
Clarity of the instructions	72
Accuracy of the demographic information presented on the site	81
Accuracy of the financial information presented on the site	83
Your ability to readily access school reports	71
Ease of submitting data	79
Timeliness of financial data being processed	82
Customer Service Process	84
Ability to help you with your inquiry	86
Resolving your inquiry in a timely fashion	83
Customer Service Representative	87
Courtesy	93
Providing you accurate information	87
Following up on your inquiry when needed	87
Explaining the cause of the problems you experienced	80
Communication	80
Daily COD Web Processing Update	73
E-mail customer service communications	81
IFAP	84
Confidence in COD system	79
Confidence in the accuracy of the information in the COD system	79
Complained about COD (percent)	5
Complained about any aspect of the COD process	5
Sample Size	87

Verbatim Responses

Following are selected verbatim comments respondents made in reply to the open-ended question on the survey.

All respondents were asked, “Are there any specific ways FSA could improve its service to you?”

Web Interface and Content

Continue working on the user friendliness of their web site. There is a need for improvement. They have made improvements. I think highlighting or being clearer on the link used by the financial administrators would be good. Also, a response to inquiries by e-mail would be good. The quickness in getting back with you should be improved. The quality of customer service varies from one office to another. More consistency in improving customer service.

Occasionally we do get locked out of our accounts if we don't access the site for a certain number of days. We have to call the security administrator to unlock the account and that's all the information we get. That's pretty confusing and inconvenient. We have to call in and get reinstated every time that happens.

Get back to me more quickly. We send batches in and sometimes the response doesn't go through, so we get a stuck batch. We have to call and tell them that. They don't know why they get stuck. Sometimes the web site or disbursement information brings up inaccurate data but if you just go back out and come back in, it's accurate.

The accuracy would be a start. We had a lot of problems with the numbers, with the data, students dates of birth being incorrect, payment documents not being correct, electronic statement of accounts not correct, and students' claims being rejected.

The reporting leaves a lot to be desired. They could pull more out there about Pell grants and 732 reports. I'd like more information about year to date reports. If they've taken away one because the student is attending another school, they don't notify us. We had terrible problems with them reporting draw downs on their systems. It took them months and months and they just got it resolved. It shows our drawdowns to be \$999 billion. She said to log on again and I did it fine. It took me all day to figure out where I was \$999 billion off.

Customer Service Process

I need to get a manager involved that has more knowledge to respond to the issues we have. It took several phone calls and we got someone involved to get our response. I feel it's a training issue. It's hard when you call and people aren't up to speed to help you with the product.

Improve the timeliness of response to complaints or inquiries regarding policy or specific situations. Increased training for COD staff is needed.

Verbatim Responses continued

Most of my stuff is technical. That's probably one reason I don't get help when I call. It would be nice if there was some way to get more experience than a front-line person who looks at the data. Usually by the time I call, it's not something simple.

The COD system needs to work better. The COD customer service representatives cannot look directly at the information that they need. All of my inquiries have to be researched by them. I call CPS instead of COD for the information that I need about COD.

Customer Service Representative

The problem comes when you have high turnover. If we could have one assigned account analyst that we could work with on a regular basis instead of getting a new person every time I call, then that would be ideal. If our financial aid people can call a person who understands our situation then they feel so much better in resolving issues.

I feel that they should do some kind of training. The customer service reps need to do some training on the processes EDE and the whole disbursement process. Every time I call, they always give me a ticket number. Nobody has any answers.

On the 800 number, it depends on the rep I get. Our rep is very helpful but other reps aren't very knowledgeable. Sometimes I am the one training them and telling them what they need to do. They really need more training.

The customer service could be better. They need to talk to us and explain things to us in a normal language. The way that I learn things is that I try to find out why things are done that certain way. When I didn't understand what the guy was saying, he got short with me.

They could work on training the staff. I get a lot of transfers when one person is not knowledgeable.

When I call into customer service, sometimes they are not willing to find out the answer to the question that I have. If I have a question on something, they usually say that they don't know instead of finding the answer that I need. It gets frustrating. Not all of the people are that way.

Basic financial aid knowledge is not enough to really be of assistance. Increased knowledge of processing is a must.

Communication

E-mailing us directly can be confusing. One e-mail that was sent was a mess and was confusing. I don't like to go to email to try to find things out.

The only instance where I think it could be improved was an e-mail that was sent. I received the auto-response e-mail that said I would the get a response within 2-3 days via e-mail and that never happened. I had to eventually call to get that response vocally. That was the only occurrence that could have been better. Everything else has been wonderful.

Verbatim Responses continued

We get so much from so many different people and agencies. It's this whole filtering process. Some days we just get too much e-mail. I just wish I had one place to go to get all the information I need. The IFAP is one place to go but it is too confusing.

Training and Workshops

If they could have more local workshops, it would help. Sometimes it's hard to get to Dallas. Anything that's brand new is difficult. If you don't get to the workshops, you have to learn it yourself or bug people. I've been bugging people.

Give more training and opportunity to use it before I actually have to implement it. That way I would just feel more comfortable with it.

I recently attended a training class on the COD process and thought that they should push other schools to attend. It was very informative and I just think that they should learn all that they can about this program because it is great.

Localized training. I work for an institution where we have no budget for travel. It is out of the question for us to go to their conferences. They could provide on-line training or a video of some sort. We are also a Banner school, so it is important for us to be able to interface Banner and COD. Part of the problem may be that we need better training in both systems, and how those systems work together.

They need to have a web-based training program for brand new financial aid employees.

They stopped doing the technical manuals, like Ed Express, that explained everything. Those were helpful to me. I could just look through the book and find out how to do things. I'm from a really small school, so it's very difficult for me to take time off to go to a workshop.

General

Continue to move to operations completely without paper.

I guess it goes back to what was wrong with the old system? It seems that if something works, you don't fix it. I don't see any problems with the new system. They say you get your money more quickly, but having institutions, I see no point in getting the money more quickly.

I had to call so many places to find out the information I needed on the site. I guess that I was just being dumb but they need to make it easier for people like me. I really have no complaints. They are very helpful.

I would like just one year of the 27 years that I've worked that you guys wouldn't change something. It's hard enough to keep up with the changes in regulations but now we have to get used to changes in technology too. Everything is an adventure now. It would be nice

Verbatim Responses continued

just to learn this system for a while. There have been good changes but it's very frustrating to have to relearn what you're doing.

I would like to see one single contact rather than 4 or five different web sites to go to. I read the other day that they are going to one.

Keep improving the COD. Keep getting the help in technical assistance. I called the first time, and they couldn't help. I called again and the second person helped me out. As for the web site, there are no required fields. The ease of looking up information and updating is good. Some of the new reports don't give the right information, which isn't that useful.

Questionnaire

U.S. Department of Education Common Origination and Disbursement Questionnaire

(Items in **BOLD** are interviewer instructions, and are not intended to be read to the Client)
(Items marked *i.e. or e.g.* should only be read if respondent needs clarification)

Introduction (Do not read)

INTRO1. Hello, this is _____ calling from [data vendor] on behalf of the United States Department of Education. May I please speak to **_(name from list)?** (If necessary: **We're calling as part of an initiative the Department has undertaken to improve its customers' satisfaction.**)

- 1 (If speaking to right person, continue at INTRO4)
- 2 (If asked to hold and wait for correct person, proceed at INTRO4 when respondent comes to phone)
- 3 (If named person is not available, schedule callback)
- 4 (If named person is no longer at this number, use INTRO2)
- 5 (In no such person, use INTRO3)
- 9 Refused/Hung Up

INTRO2. Is there another number at which I could reach him/her? (If necessary: **We're calling as part of an initiative the Department has undertaken to improve its customers' satisfaction.**)

- 1 (Take number) >> Thank you and have a good day! (Contact new number)
- 2 (Refused) >> Thank you and have a good day!

INTRO3. May I please speak to the person in your organization responsible for interactions with the U.S. Department of Education related to student financial assistance? (If necessary: **Matters related to the Common Origination and Disbursement process and/or coordinating financial transactions.**)

INTRO4. **(When respondent comes to phone)**

I'm calling on behalf of the United States Department of Education. This call is part of an initiative the Department has undertaken to improve its customers' satisfaction. We'd like to discuss your interaction with areas related to Common Origination and Disbursement process (COD). The discussion will take about 10 minutes. This interview is authorized by the U.S. Office of Management and Budget Control No. 1845-0045. Your comments will remain strictly confidential, and you will never be identified by name unless you choose to do so. Is now a good time for us to speak?

- 1 Yes (Continue with Next Question)
- 2 No (Can we schedule a time that is more convenient for you?)

Questionnaire continued

Screening Questions (Do not read)

Before we begin, I'd like to ask you a few of questions about yourself.

DEMO1. In the past 12 months, have you accessed the COD web site?

DEMO2. In the past 12 months, have you called COD School Relations **(800-848-0978 or 800-4PGRANT)** for program or technical assistance?

Web Interface (Do not read)

(Ask the following questions if DEMO1=Yes)

Think about your experience using the COD web interface. Using a 1 to 10 scale, where "1" means "poor" and "10" means "excellent", how would you rate the...

WEBINT1. Ease of logging into the system

WEBINT2. Ease of navigating the web site

WEBINT3. Availability of the web site **(for clarification, if needed: system not being down)**

WEBINT4. Modifications to the web site interface over the past year **(i.e., the "look and feel" of the interface)**

Web Content (Do not read)

(Ask the following questions if DEMO1=Yes)

Think about the content and information provided by the COD web system. Using a 1 to 10 scale, where "1" means "poor" and "10" means "excellent", how would you rate...

WEBCON1. The clarity of the instructions

WEBCON2. The accuracy of the demographic information presented on the site

WEBCON3. The accuracy of the financial information presented on the site

WEBCON4. Your ability to readily access school reports

WEBCON5. The ease of submitting data

WEBCON6. The timeliness of financial data being processed

Questionnaire continued

Customer Service Process (Do not read)

(Ask the following questions if DEMO2=Yes)

Think about the assistance you received when you called the 800 number. Using a 1 to 10 scale, where "1" means "poor" and "10" means "excellent", how would you rate the representative on...

- CSP1. Courtesy
- CSP2. Ability to help you with your inquiry
- CSP3. Providing you accurate information
- CSP4. Resolving your inquiry in a timely fashion
- CSP5. Following up on your inquiry, when needed
- CSP6. Explaining the cause of the problems you experienced

(Note: CSP2 and CSP4 will be reported in a separate component)

Communication (Do not read)

Please think about the various ways COD and the Customer Service staff communicate with you. Using a 1 to 10 scale, where "1" means "not at all useful" and "10" means "very useful", how would you rate the usefulness of...

- COMM1. The daily COD Web Processing Update (i.e, the update screen you can see when you log in to the web interface)
- COMM2. E-mail customer service communications
- COMM3. IFAP (**read as "eye-fap" - stands for Information for Financial Aid Professionals**)

ACSI Benchmark Questions (Do not read)

- ACSI1. Now, please consider all of your job-related experiences working with the Common Origination and Disbursement process. Using a 10 point scale on which "1" means "very dissatisfied" and 10 means "very satisfied", how satisfied are you with the COD process?
- ACSI2. Consider now all of your expectations for working with the Common Origination and Disbursement process. Using a 10 point scale on which "1" now means "falls short of your expectations" and "10" means "exceeds your expectations," to what extent has working with COD process fallen short of or exceeded your expectations?
- ACSI3. Now forget for a moment your experience working with the current Common Origination and Disbursement process. I want you to imagine an ideal origination and disbursement process for institutions such as yours. **(INTERVIEWER PAUSE)** How well do you think the current COD process compares to that ideal process? Please use a 10 point scale on which "1" means "not at all ideal," and "10" means "very close to the ideal."

Questionnaire continued

Closing (Do not read)

CLOSE1. On a scale from 1 to 10, where 1 is “not at all confident” and 10 is “very confident”, how confident are you in the accuracy of the information in the COD system?

CLOSE2. In the past 6 months, have you ever complained about any aspect of the Common Origination and Disbursement process to FSA or to the Department of Education?

- 1 Yes
- 2 No
- 8 Don't Know
- 9 Refused

CLOSE3. Are there any specific ways that FSA could improve its service to you? **(i.e., with respect to any aspect of the relationship between your institution and FSA)**
(enter verbatim response)

CLOSE4. As I mentioned at the beginning of the survey, your responses are completely confidential and your name will not be attached to your responses, unless you wish to do so. So that they may better serve you, would you like the Department of Education to see your name attached to your responses?

- 1 Yes
- 2 No
- 8 Don't Know
- 9 Refused

That's all the questions I have for you today. Thank you again for your time. Have a good day!

LaRS

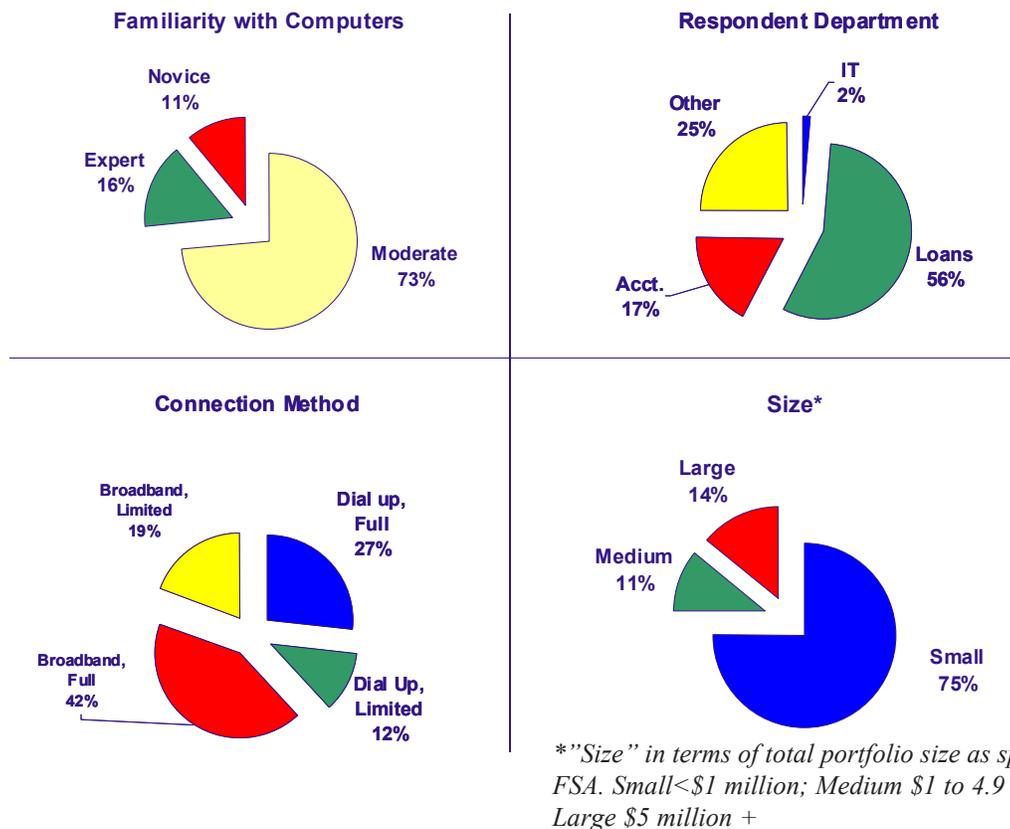
Research Summary

Research Process

The project began with development of the 2003 LaRS customer satisfaction questionnaire, which drew upon a series of teleconferences with FSA LaRS staff and upon prior research for similar processes within the Financial Partners channel from 2000 and 2001. Initially, potential respondents were invited to participate via an email with a link to a web-based survey. However, a test deployment of the email/web survey inviting 40 customers to respond resulted in a very poor response rate and as a result the mode of data collection was switched to phone. A third-party data collection company, PGM Incorporated of Orem, Utah, interviewed 250 COD customers by phone in July of 2003. The respondents were recruited from a sample list provided by FSA. In addition, 13 respondents ultimately filled out the web survey, for a total of 263 interviews completed.

Among the respondents, 213 represented lender organizations and 50 represented servicers. Although the survey was designed to allow and even encourage recruitment of multiple respondents within a given organization, in the final sample generally only one respondent represented an organization. In 11 cases organizations were represented by two respondents; no organization had more than two. Further demographic information about the sample appears in Figure 1 below.

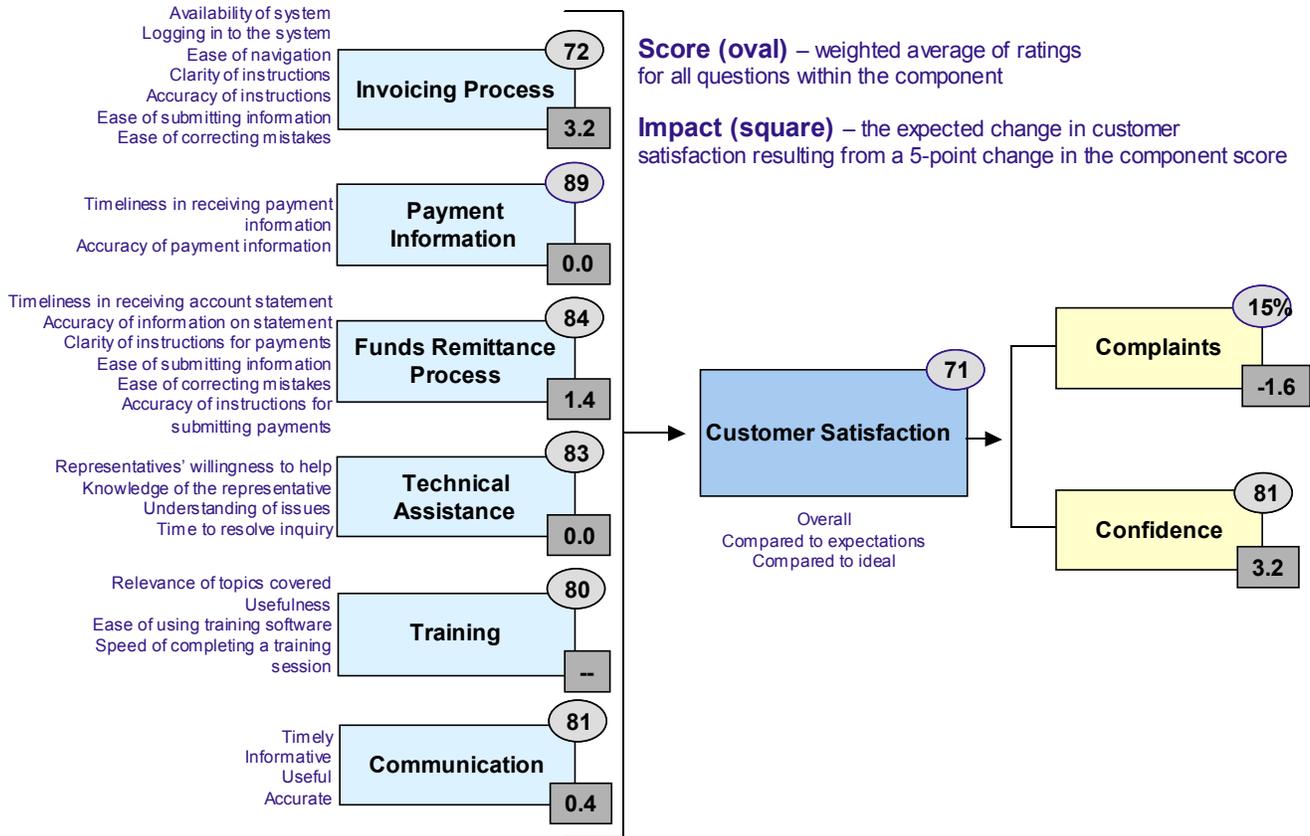
Figure 1: Sample Demographics



When all the interviews were complete, the data were sent to CFI Group for analysis using the ACSI cause-and-effect methodology. Results of that analysis follow.

Research Summary continued

Model Results



The figure above shows the complete model for LaRS customers. This is a “cause-and-effect” or “causal” model in that it measures a series of inputs and outputs and quantifies the relationships between them. Generally, areas that FSA can control or influence are positioned on the left side of the model. Improvements in any of these components will have a positive influence upon customer satisfaction. This can be quantified by the *impact* of a component upon satisfaction. The impact represents the amount by which satisfaction would increase if the component were to improve by 5 points. For example, if the **Invoicing Process** were to improve by 5 points (from 72 to 77), **Customer Satisfaction** would improve by 3.2 points (from 71 to 74.2), the amount of the impact of Invoicing Process upon Customer Satisfaction. Impacts represent the independent effect of each quality component on the CSI (i.e, the effect with “all else being equal”), and therefore are also *additive* - that is, improvements in several components will cause the CSI to go up by the sum of their impacts. Note that no impact is reported for the Training component; this is because very few of the respondents had participated in LaRS training and no impact could be calculated. This does not mean Training has no effect customer satisfaction, only that it cannot be precisely quantified in this analysis.

Satisfaction is in turn a driver of customers’ likelihood to have **Complained** to FSA, and their **Confidence** in the accuracy of FSA systems. If Customer Satisfaction were to rise 5 points, the model predicts that these outcomes’ scores would change by the amount of their impacts (-1.6 and 3.2, respectively). Note that in the case of complaint behavior the impact value is negative; this implies that as customers become more satisfied, the number of complaints about LaRS is expected to decrease.

Research Summary continued

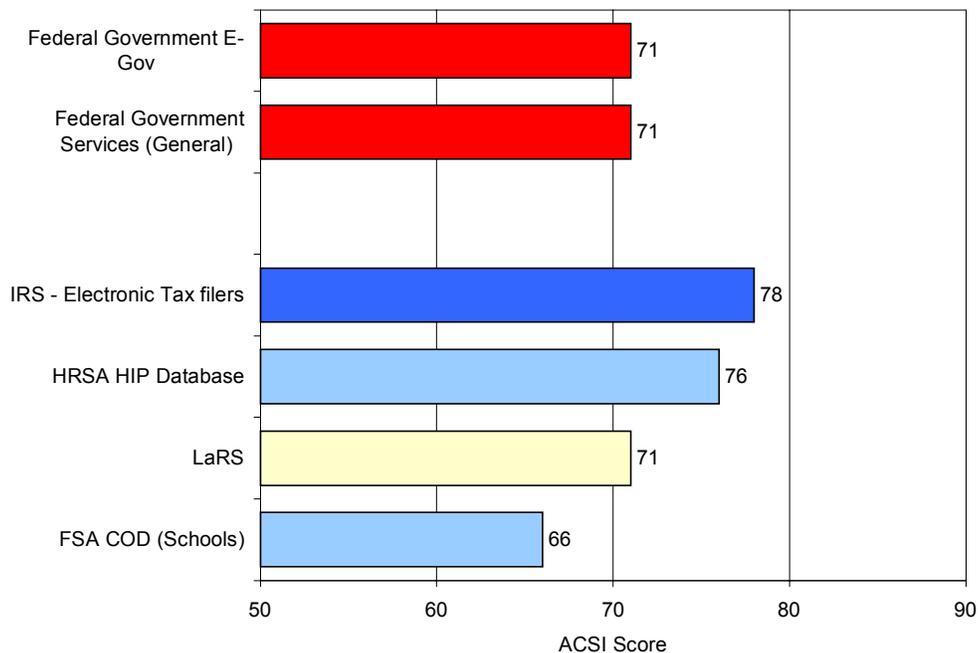
The customer satisfaction score, at 71, is lower than scores for all the model components that influence it. Computationally this is possible because Customer Satisfaction is measured independently of the quality components with three survey questions (overall satisfaction, satisfaction compared to expectations, and satisfaction compared to an “ideal”); it is not an average or an index of the scores for the model components themselves.

There may be factors outside the model that “suppress” customer satisfaction and account for the lower satisfaction score, but have little to do with the functionality of LaRS itself. Such factors may include resentment of Federal government competition in lending, or a frustration with the administration of the loan programs generally that extends beyond LaRS and the Ed 799. However, the key point is that improvements in the model components will drive increases in customer satisfaction, regardless of these other factors.

Satisfaction Benchmarks

The July 2003 LaRS customer satisfaction score of 71 is a good one, as comparison to other Federal government services measured with the ACSI methodology readily shows. LaRS scores the same as the ACSI index for Federal Government Services as a whole, and is tied with the score for the September 2003 “E-gov” ACSI index of government web sites (Figure 2). Two particularly pertinent Federal web site benchmarks for LaRS (in terms of mission and functionality) are FSA’s COD system and the Health Resources and Services Administration’s HIP database, which provides hospitals and HMOs with information about physician’s credentials and licensing. LaRS presently sits exactly between these two; five points above COD and 5 points below the HIP database.

Figure 2: 2003 Federal Government ACSI Scores

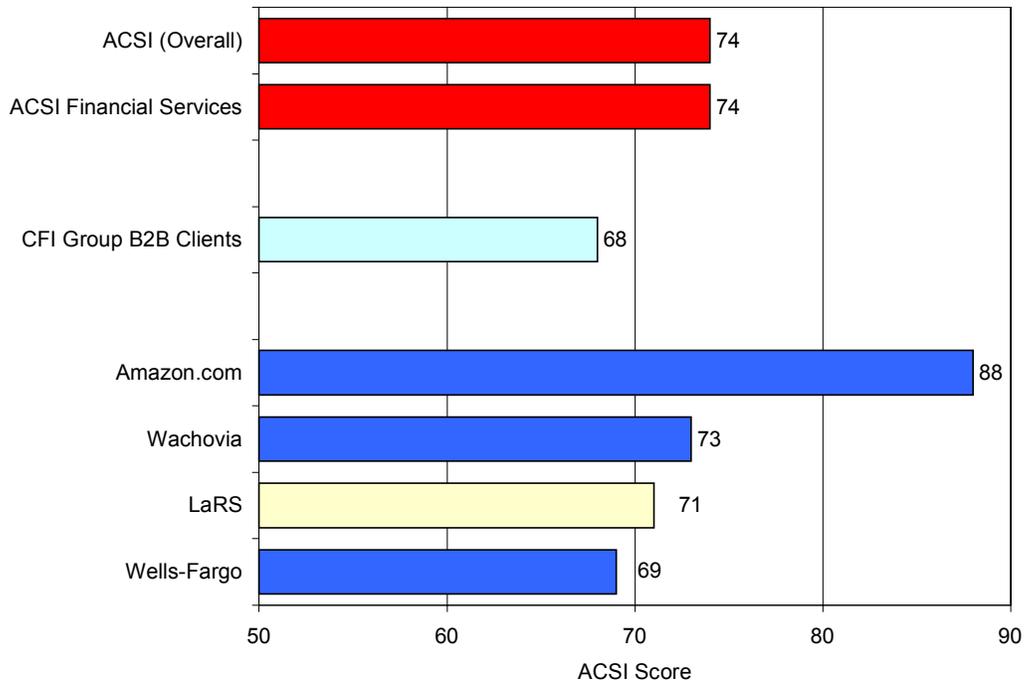


Though less directly comparable to LaRS, organizations in the private sector measured by the ACSI can also help to put the LaRS satisfaction score in context. Figure 3 (top of next page)

Research Summary continued

shows ACSI scores for several businesses and sectors measured in the ACSI. LaRS compares favorably to these services, with scores similar to prominent retail banks and the financial services sector as a whole. LaRS also scores slightly better than an index of CFI Group “business to

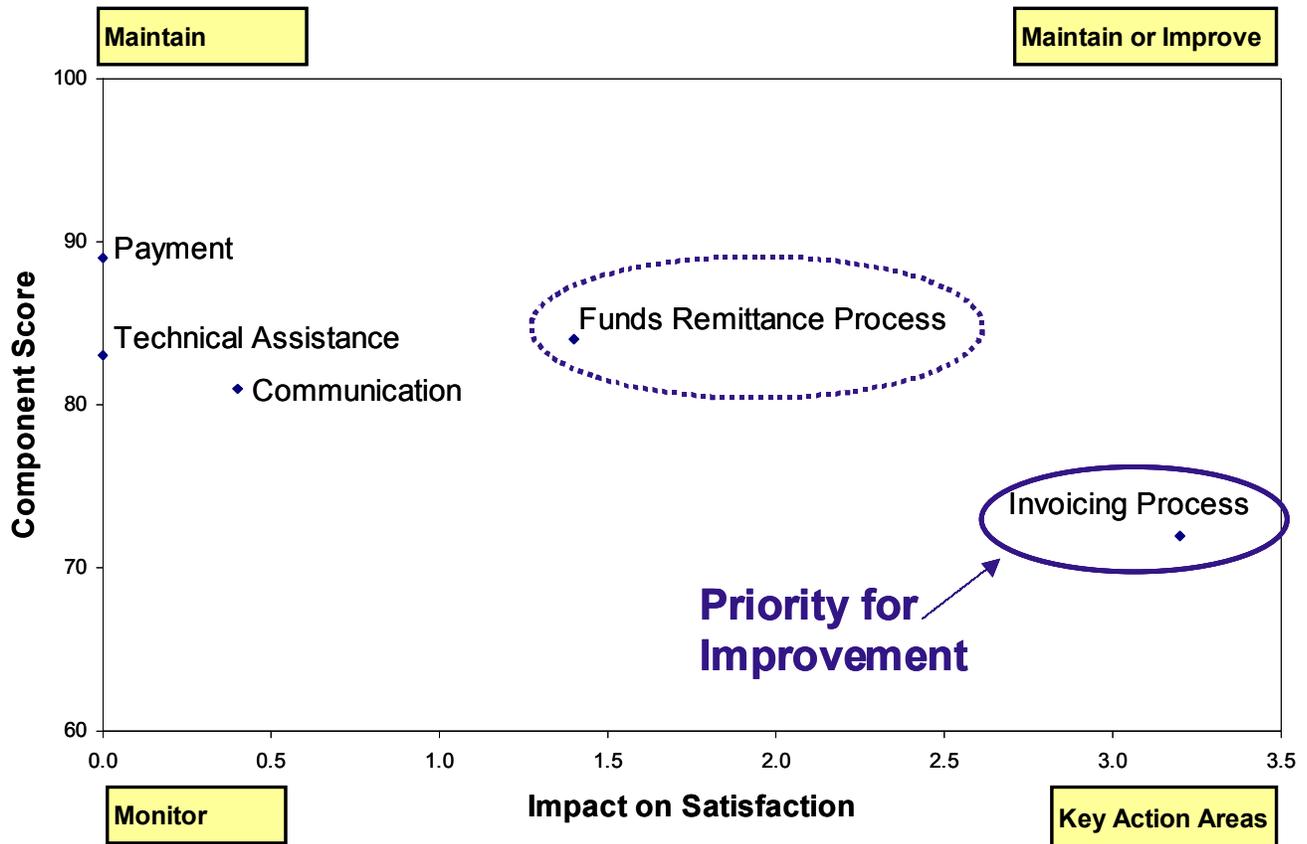
Figure 3: 2003 Private Sector ACSI Scores



business” clients. While there is certainly room to raise the LaRS customer satisfaction score, FSA has a strong baseline from which to make improvements.

Research Summary continued

Improvement Priorities



The diagram above combines the score and impact information from the satisfaction model analysis to provide guidance about where to focus efforts to maintain or improve satisfaction. Generally speaking, those components with relatively high impact and relatively low score (falling to the lower right side of the diagram) should be the highest priority for improvement. Those with higher scores and lower impacts (in the upper left hand quadrant of the diagram) should be the lowest priority.

While the diagram provides information about where to focus improvement efforts first, this does not mean that lower-priority areas are not *important*. Large changes in performance levels on any component (e.g., 10 points or more, either up or down) will likely affect the customer satisfaction score, even if the component(s) in question have an impact of 0.0.

Based on the diagram, the clear priority for improving customer satisfaction with LaRS is the **Invoicing Process**. Not only does it have the lowest score of any component, it has an unusually large impact of 3.2. Even small improvements of 2-3 points in the Invoicing Process would have a meaningful effect on customer satisfaction.

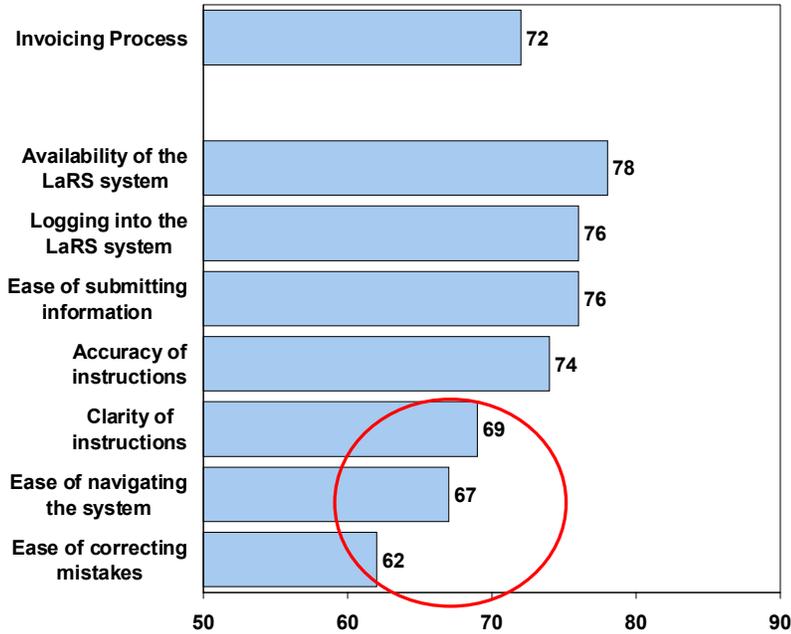
The **Funds Remittance Process** is also a high-impact component, though it scores much better than the Invoicing Process. Note, however, that the impact logic works on the downside as well as the upside: if performance on Funds Remittance falls, the customer satisfaction score will follow suit.

Further detail on each of these high-impact components follows below.

Research Summary continued

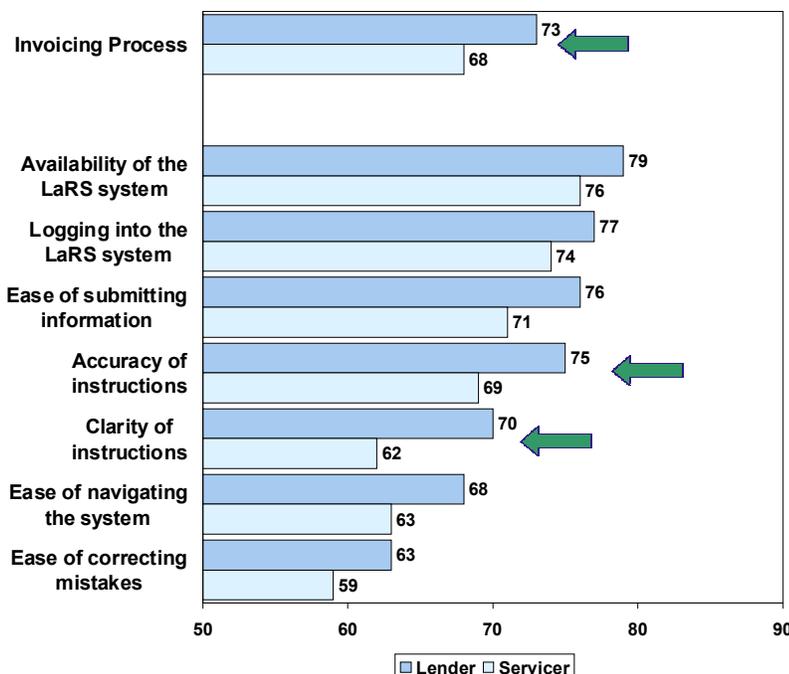
Invoicing Process

Figure 4: Invoicing Process Component and Attribute Scores



While most of the attributes in the Invoicing Process component score in the mid- to upper-70s, three scored in the 60s: “Clarity of instructions,” “Ease of navigating the system,” and “Ease of correcting mistakes” (Figure 4). One respondent summed up the matter succinctly: “It is difficult to maneuver the program and to correct mistakes.” Improving these features of the system would do much to raise the component score and drive improvements in satisfaction.

Figure 5: Invoicing Process Scores by Lenders vs. Servicers



Respondents from servicing organizations rated the Invoicing process significantly lower than those from Lenders. The largest gaps were in “Accuracy of instructions” and “Clarity of instructions” (Figure 5). These differences are statistically significant at the 90% level of confidence (indicated by arrows). FSA should consider reviewing the LaRS instructions on issues or processes of particular interest to servicers to determine if these may need revision.

Research Summary continued

Figure 6: Invoicing Process Scores by Mode of Invoicing

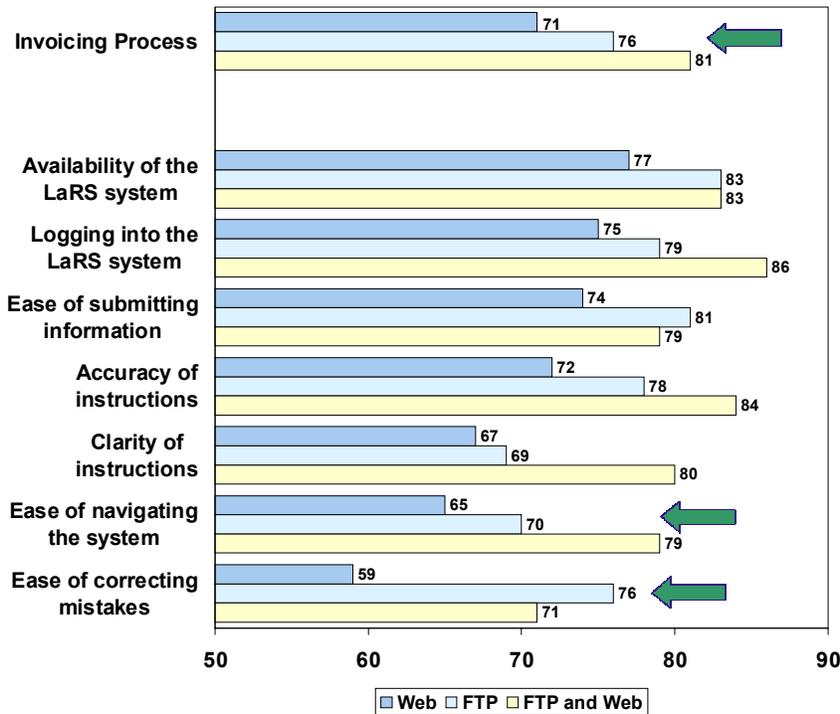
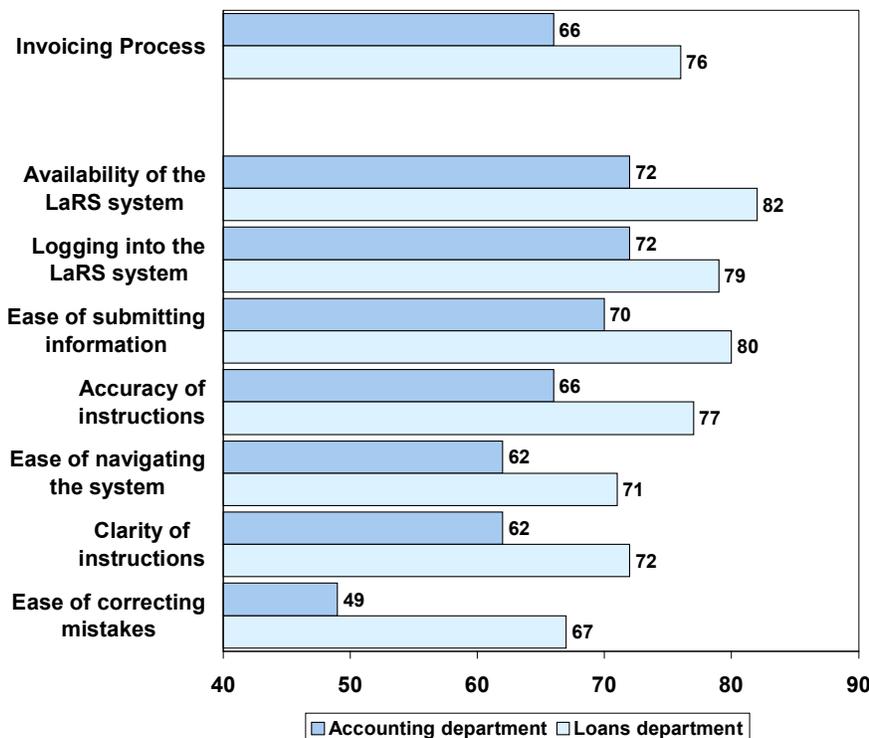


Figure 6 presents scores for the Invoicing Process based upon the respondents' mode of submitting invoices to LaRS. Generally, respondents who said they use the web interface exclusively gave LaRS the lowest marks for the Invoicing Process; those who used both the web and FTP gave the highest. Ease of navigation and of correcting mistakes is a particularly sore point for those using the web interface only. The arrows show those areas where score differences across the mode of submitting invoices are statistically significant at the 85% confidence level or higher.

Figure 7: Invoicing Process Scores by Respondent Department

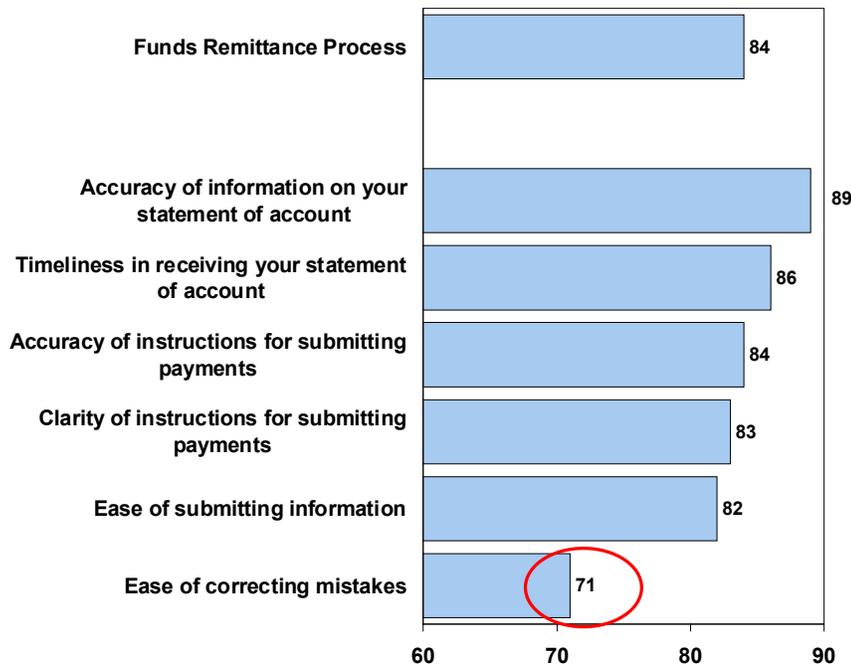


Respondents who work in their organization's accounting departments gave LaRS lower ratings for the Invoicing Process than their colleagues in loans departments (Figure 7). Both the component score and all the attribute scores are significantly lower for accounting personnel at the 90% confidence level. These customers likely have fewer occasions to use LaRS than loan specialists and perhaps find it more daunting for that reason. They also may be implicitly comparing LaRS to other software and web applications for accounting which they find more intuitive and familiar.

Research Summary continued

Funds Remittance

Figure 8: Funds Remittance Component and Attribute Scores

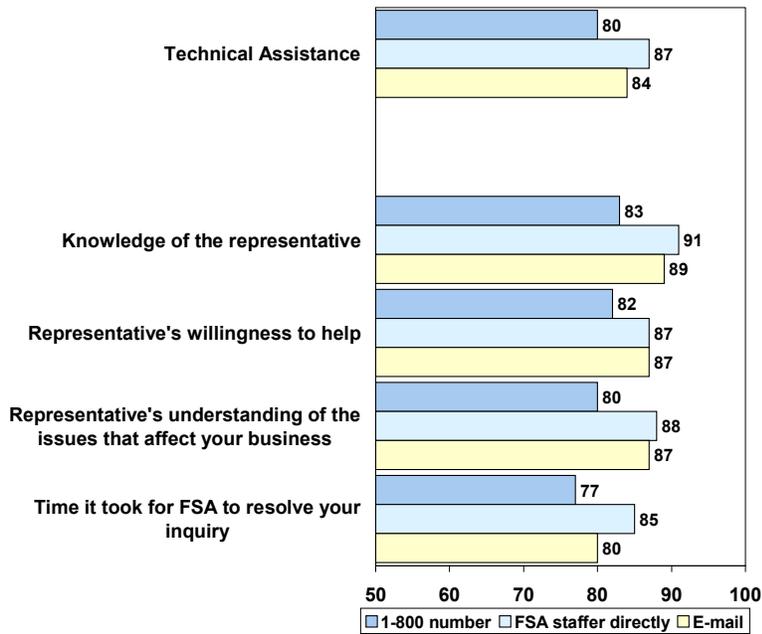


As with the Invoicing Process, the biggest frustration (indeed, the only one) customers express with the Funds Remittance Process on the “ease of correcting mistakes” (Figure 8). This attribute scores more than 10 points lower than any other in the component. Improved flexibility in the LaRS system to correct mistakes would do much to help maintain or even improve performance in this otherwise very well-rated area.

Research Summary continued

Leveraging a Strength - Technical Assistance

Figure 9: Technical Assistance Scores by Mode of Assistance



Customers give FSA very high ratings for the Technical Assistance it provides for LaRS. This is true whether they seek assistance from the 1-800 number, call an FSA staffer directly, or submit queries via email (Figure 9). As the human touchpoints of the LaRS process, these FSA personnel play an essential role in hand-holding customers through the process and helping them to feel more confident in using it.

Technical Assistance does not presently have a high impact on customer satisfaction, so efforts to improve the various attributes in this component *per se* are unlikely to lead to higher satisfaction ratings.

However, customer contact always presents an opportunity to shine. Figure 10 shows model component and satisfaction scores for respondents who said their requests for assistance were resolved on the first call vs. those who said it was not. Across the board, first-call resolution resulted in significantly higher scores, often higher than those of respondents who never reported a problem. This suggests that FSA has an opportunity to leverage the strength of its Technical



Assistance personnel by giving them the means whenever possible to provide customers with first-call resolution of their issues. There are of course many instances where first-call resolution will not be feasible or even possible if "first call" means "while the customer is on the line." In such cases, "one-call" resolution, where the customer calls once, understands what the resolution will be, what follow-up to expect, etc. would be another powerful tactic for FSA to leverage the strength of its Technical Assistance personnel to deliver improved customer satisfaction with LaRS.

Figure 10: Satisfaction & Component Scores by Technical Assistance Resolution

Conclusions & Recommendations

The current customer satisfaction score for LaRS of 71 is quite good, particularly in light of the component scores, all but one of which are in the 80s. Clearly, FSA is getting many things 'right' with LaRS, and certainly some of the gap between the high component scores and the satisfaction score can be attributed to environmental factors not directly related to the capabilities and performance of the system. Regardless of such factors, the analysis shows that customer satisfaction can be expected to respond positively to continued improvement initiatives FSA may choose to pursue.

The greatest opportunity available to FSA to drive improvements in customer satisfaction with LaRS is to improve the Invoicing Process for the web interface. The very large impact of this component on customer satisfaction means that not only is this a very salient area of concern for customers, but also that any improvements made here will translate readily to higher satisfaction scores.

Recommendations

The survey results point to several general recommendations for FSA to maintain or improve customer satisfaction with LaRS. The recommendations are arranged order of potential leverage to increase satisfaction.

Invoicing Process - High Priority for Improvement

FSA should strongly consider improvements to the Invoicing Process to take advantage of the potential such improvements have to raise satisfaction with LaRS. The results presented above show that customers specifically would like to see improvements in the web interface itself. In particular, **ease of navigation, clarity of the instructions**, and perhaps most critically, the **ease of correcting mistakes** should be among the first priorities for any improvement initiatives. An integrated approach to address these customer concerns could include:

- Fully assessing the usability issues that customers encounter. The verbatim comments included in this report contain some detailed commentary about what customers find frustrating and would make a good starting point for such an assessment. Beyond this FSA might consider conducting customer focus groups (in person or perhaps online) or a formal usability study. As part of such an effort, FSA should identify issues of concern to specific segments of its customer base, such as small lenders, accounting staff, etc.
- Working with technology partners to resolve issues identified in the assessment.
- Developing communications to address common customer issues or complaints. Results of this study could be used to begin a dialogue with customers about what they would like to see changed about the Invoicing Process. Customer comments in this survey frequently note an inability to "go back" to correct improperly submitted information, a lack of built-in system checks for data quality, and an inability to get to the system screen they need without paging through several screens they have already filled in.
- Expanding training sessions and offering more training materials to help customers improve their knowledge of LaRS. Several respondents to the survey commented on a perceived lack of training materials and/or geographically convenient training seminars.

Conclusions & Recommendations continued

Technical Assistance - Maintain and Leverage High Service Levels

As noted above, the Technical Assistance provided by FSA personnel supporting LaRS is an area of strength that may be leveraged to support overall customer satisfaction. To make the most of this resource, FSA should consider:

- Disseminating the results of this study to all customer-facing personnel, congratulating them on their successes in providing assistance to customers, and underscoring their role in supporting efforts to maintain and improve customer satisfaction.
- Working with personnel who provide technical assistance to identify strategies that maximize FSA's ability to provide first-call or one-call resolution of customer concerns. First-call resolution of concerns serves not only to stave off bad ratings from customers, but also can help to redeem weak performance in other service areas. There are of course many instances where first-call resolution will not be feasible or even possible if "first call" means "while the customer is on the line." In such cases, "one-call" resolution, where the customer calls once, understands what the resolution will be, what follow-up to expect, etc. would be another powerful tactic for LaRS personnel to drive customer satisfaction.

Funds Remittance Process - Consider Incremental Adjustments to Shore Up High Score

The Funds Remittance Process scores very well on almost all attributes, though the relatively low score on "**ease of correcting mistakes**" provides an opportunity to make adjustments that will help keep the score high. FSA should consider addressing this issue if it can be done with relatively little cost and effort. At a minimum FSA should maintain current performance levels since this is a relatively high-impact component and declining performance would lead to lower LaRS satisfaction.

Score Detail and Segmentation

Aggregate (all respondents)

Customer Satisfaction	71
Overall satisfaction	75
Meet your expectations	70
Ideal relationship	70
Invoicing Process	72
Availability of the LaRS system	78
Logging into the LaRS system	76
Ease of navigating the system	67
Clarity of instructions	69
Accuracy of instructions	74
Ease of submitting information	76
Ease of correcting mistakes	62
Payment	89
Timeliness in receiving payment information	88
Accuracy of payment information	90
Funds Remittance Process	84
Timeliness in receiving your statement of account	86
Accuracy of information on your statement of account	89
Clarity of instructions for submitting payments	83
Accuracy of instructions for submitting payments	84
Ease of submitting information	82
Ease of correcting mistakes	71
Technical Assistance	83
Representative's willingness to help	84
Knowledge of the representative	86
Representative's understanding of the issues that affect your business	83
Time it took for FSA to resolve your inquiry	80
Training	80
Relevance of topics covered by the training sessions	80
Usefulness of the training	83
Ease of using the training software	79
Speed of completing a training session	77
Communication	81
Timely	82
Informative	81
Useful	78
Accurate	84
Confidence in FSA systems	81
Confidence in the accuracy of the information in the FSA systems	81
Complained about FSA's administration of student loan program (percent)	15
Complaint regarding LaRS or FSA's administration of the student loan program	15
Sample Size	251

Score Detail and Segmentation continued

Lenders vs. Servicers

	Lender	Servicer	Significant Difference
Customer Satisfaction	72	70	
Overall satisfaction	75	74	
Meet your expectations	69	71	
Ideal relationship	70	68	
Invoicing Process	73	68	Yes
Availability of the LaRS system	79	76	
Logging into the LaRS system	77	74	
Ease of navigating the system	68	63	
Clarity of instructions	70	62	Yes
Accuracy of instructions	75	69	Yes
Ease of submitting information	76	71	
Ease of correcting mistakes	63	59	
Payment	89	--	
Timeliness in receiving payment information	88	--	
Accuracy of payment information	90	--	
Funds Remittance Process	84	--	
Timeliness in receiving your statement of account	86	--	
Accuracy of information on your statement of account	89	--	
Clarity of instructions for submitting payments	83	--	
Accuracy of instructions for submitting payments	84	--	
Ease of submitting information	82	--	
Ease of correcting mistakes	71	--	
Technical Assistance	84	75	
Representative's willingness to help	87	72	Yes
Knowledge of the representative	87	81	
Representative's understanding of the issues that affect your business	83	81	
Time it took for FSA to resolve your inquiry	81	73	
Training	79	83	
Relevance of topics covered by the training sessions	80	81	
Usefulness of the training	83	83	
Ease of using the training software	77	85	
Speed of completing a training session	76	83	
Communication	81	79	
Timely	82	82	
Informative	82	79	
Useful	79	76	
Accurate	85	80	
Confidence in FSA systems	81	77	
Confidence in the accuracy of the information in the FSA systems	81	77	
Complained about FSA's administration of student loan program (percent)	14	17	
Complaint regarding LaRS or FSA's administration of the student loan program	14	17	
Sample Size	205	46	

Score Detail and Segmentation continued

Respondent Department

	IT Department	Accounting Department	Loans Department
Customer Satisfaction	66	67	75
Overall satisfaction	61	73	79
Meet your expectations	72	65	74
Ideal relationship	64	63	74
Invoicing Process	60	66	76
Availability of the LaRS system	67	72	82
Logging into the LaRS system	67	72	79
Ease of navigating the system	56	62	71
Clarity of instructions	56	62	72
Accuracy of instructions	63	66	77
Ease of submitting information	67	70	80
Ease of correcting mistakes	41	49	67
Payment	44	84	92
Timeliness in receiving payment information	44	81	90
Accuracy of payment information	44	86	92
Funds Remittance Process	63	84	86
Timeliness in receiving your statement of account	44	80	89
Accuracy of information on your statement of account	67	86	91
Clarity of instructions for submitting payments	61	87	85
Accuracy of instructions for submitting payments	61	87	85
Ease of submitting information	67	84	83
Ease of correcting mistakes	56	66	72
Technical Assistance	81	71	88
Representative's willingness to help	89	72	89
Knowledge of the representative	78	76	89
Representative's understanding of the issues that affect your business	78	71	87
Time it took for FSA to resolve your inquiry	--	65	87
Training	81	72	81
Relevance of topics covered by the training sessions	78	74	81
Usefulness of the training	78	76	84
Ease of using the training software	89	67	81
Speed of completing a training session	78	70	78
Communication	74	78	84
Timely	78	80	85
Informative	78	78	84
Useful	69	77	81
Accurate	69	80	86
Confidence in FSA systems	69	78	83
Confidence in the accuracy of the information in the FSA systems	69	78	83
Complained about FSA's administration of student loan program (percent)	--	20	13
Complaint regarding LaRS or FSA's administration of the student loan program	--	20	13
Sample Size	4	45	139

Score Detail and Segmentation continued

Accounting vs. Loans

	Accounting department	Loans department	Significant Difference
Customer Satisfaction	67	75	Yes
Overall satisfaction	73	79	
Meet your expectations	65	74	Yes
Ideal relationship	63	74	Yes
Invoicing Process	66	76	Yes
Availability of the LaRS system	72	82	Yes
Logging into the LaRS system	72	79	
Ease of navigating the system	62	71	Yes
Clarity of instructions	62	72	Yes
Accuracy of instructions	66	77	Yes
Ease of submitting information	70	80	Yes
Ease of correcting mistakes	49	67	Yes
Payment	84	92	Yes
Timeliness in receiving payment information	81	90	Yes
Accuracy of payment information	86	92	
Funds Remittance Process	84	86	
Timeliness in receiving your statement of account	80	89	Yes
Accuracy of information on your statement of account	86	91	
Clarity of instructions for submitting payments	87	85	
Accuracy of instructions for submitting payments	87	85	
Ease of submitting information	84	83	
Ease of correcting mistakes	66	72	
Technical Assistance	71	88	Yes
Representative's willingness to help	72	89	Yes
Knowledge of the representative	76	89	Yes
Representative's understanding of the issues that affect your business	71	87	Yes
Time it took for FSA to resolve your inquiry	65	87	Yes
Training	72	81	
Relevance of topics covered by the training sessions	74	81	
Usefulness of the training	76	84	
Ease of using the training software	67	81	Yes
Speed of completing a training session	70	78	
Communication	78	84	Yes
Timely	80	85	
Informative	78	84	Yes
Useful	77	81	
Accurate	80	86	Yes
Confidence in FSA systems	78	83	
Confidence in the accuracy of the information in the FSA systems	78	83	
Complained about FSA's administration of student loan program (percent)	20	13	
Complaint regarding LaRS or FSA's administration of the student loan program	20	13	
Sample Size	45	139	

Score Detail and Segmentation continued

Customer Size (Portfolio Value)

Small < \$1 million; Medium \$1 to 4.9 million; Large \$5 million +

	Small	Medium	Large
Customer Satisfaction	69	78	76
Overall satisfaction	72	81	81
Meet your expectations	67	76	74
Ideal relationship	68	78	73
Invoicing Process	72	82	73
Availability of the LaRS system	77	88	78
Logging into the LaRS system	74	86	76
Ease of navigating the system	66	76	67
Clarity of instructions	68	81	71
Accuracy of instructions	74	87	73
Ease of submitting information	74	84	82
Ease of correcting mistakes	65	57	63
Payment	89	95	90
Timeliness in receiving payment information	89	95	88
Accuracy of payment information	89	96	92
Funds Remittance Process	82	94	87
Timeliness in receiving your statement of account	86	96	85
Accuracy of information on your statement of account	87	97	92
Clarity of instructions for submitting payments	81	94	86
Accuracy of instructions for submitting payments	81	93	86
Ease of submitting information	78	93	85
Ease of correcting mistakes	71	76	71
Technical Assistance	85	82	87
Representative's willingness to help	88	83	91
Knowledge of the representative	88	84	89
Representative's understanding of the issues that affect your business	85	83	85
Time it took for FSA to resolve your inquiry	81	79	85
Training	80	89	69
Relevance of topics covered by the training sessions	83	92	64
Usefulness of the training	85	92	72
Ease of using the training software	76	86	69
Speed of completing a training session	73	86	69
Communication	79	87	84
Timely	81	86	85
Informative	81	88	84
Useful	77	87	81
Accurate	84	89	88
Confidence in FSA systems	79	86	85
Confidence in the accuracy of the information in the FSA systems	79	86	85
Complained about FSA's administration of student loan program (percent)	8	9	23
Complaint regarding LaRS or FSA's administration of the student loan program	8	9	23
Sample Size	158	23	30

Score Detail and Segmentation continued

Involvement in Submitting Financial Reports

	Involved in submitting financial reports	Not involved in submitting financial reports	Significant Difference (90% conf. level)
Customer Satisfaction	71	73	
Overall satisfaction	75	75	
Meet your expectations	69	73	
Ideal relationship	68	74	Yes
Invoicing Process	72	--	
Availability of the LaRS system	78	--	
Logging into the LaRS system	76	--	
Ease of navigating the system	67	--	
Clarity of instructions	69	--	
Accuracy of instructions	74	--	
Ease of submitting information	76	--	
Ease of correcting mistakes	62	--	
Payment	89	--	
Timeliness in receiving payment information	88	--	
Accuracy of payment information	90	--	
Funds Remittance Process	84	--	
Timeliness in receiving your statement of account	86	--	
Accuracy of information on your statement of account	89	--	
Clarity of instructions for submitting payments	83	--	
Accuracy of instructions for submitting payments	84	--	
Ease of submitting information	82	--	
Ease of correcting mistakes	71	--	
Technical Assistance	82	85	
Representative's willingness to help	85	82	
Knowledge of the representative	85	89	
Representative's understanding of the issues that affect your business	82	88	
Time it took for FSA to resolve your inquiry	79	81	
Training	79	88	
Relevance of topics covered by the training sessions	79	94	Yes
Usefulness of the training	82	89	Yes
Ease of using the training software	79	78	
Speed of completing a training session	77	83	
Communication	80	85	Yes
Timely	81	87	Yes
Informative	80	86	Yes
Useful	77	82	
Accurate	83	87	
Confidence in FSA systems	80	83	
Confidence in the accuracy of the information in the FSA systems	80	83	
Complained about FSA's administration of student loan program (percent)	18	5	Yes
Complaint regarding LaRS or FSA's administration of the student loan program	18	5	Yes
Sample Size	187	64	

Score Detail and Segmentation continued

Method for Submitting Financials

	Web	FTP	FTP and web
Customer Satisfaction	71	75	71
Overall satisfaction	74	78	74
Meet your expectations	69	75	70
Ideal relationship	69	74	70
Invoicing Process	71	76	81
Availability of the LaRS system	77	83	83
Logging into the LaRS system	75	79	86
Ease of navigating the system	65	70	79
Clarity of instructions	67	69	80
Accuracy of instructions	72	78	84
Ease of submitting information	74	81	79
Ease of correcting mistakes	59	76	71
Payment	88	94	94
Timeliness in receiving payment information	87	96	94
Accuracy of payment information	89	94	94
Funds Remittance Process	82	96	90
Timeliness in receiving your statement of account	85	94	92
Accuracy of information on your statement of account	87	100	94
Clarity of instructions for submitting payments	82	95	87
Accuracy of instructions for submitting payments	83	98	89
Ease of submitting information	79	94	93
Ease of correcting mistakes	69	80	82
Technical Assistance	83	72	90
Representative's willingness to help	85	67	91
Knowledge of the representative	85	79	93
Representative's understanding of the issues that affect your business	82	79	90
Time it took for FSA to resolve your inquiry	80	73	86
Training	74	84	94
Relevance of topics covered by the training sessions	73	87	96
Usefulness of the training	78	84	98
Ease of using the training software	73	89	91
Speed of completing a training session	73	81	91
Communication	81	80	81
Timely	82	81	85
Informative	81	83	82
Useful	78	79	76
Accurate	83	87	82
Confidence in FSA systems	80	79	78
Confidence in the accuracy of the information in the FSA systems	80	79	78
Complained about FSA's administration of student loan program (percent)	17	13	13
Complaint regarding LaRS or FSA's administration of the student loan program	17	13	13
Sample Size	170	31	15

Score Detail and Segmentation continued

Web vs. FTP

	Web	FTP	Significant Difference
Customer Satisfaction	71	75	
Overall satisfaction	74	78	
Meet your expectations	69	75	
Ideal relationship	69	74	
Invoicing Process	71	76	
Availability of the LaRS system	77	83	
Logging into the LaRS system	75	79	
Ease of navigating the system	65	70	
Clarity of instructions	67	69	
Accuracy of instructions	72	78	
Ease of submitting information	74	81	Yes
Ease of correcting mistakes	59	76	Yes
Payment	88	94	
Timeliness in receiving payment information	87	96	Yes
Accuracy of payment information	89	94	
Funds Remittance Process	82	96	Yes
Timeliness in receiving your statement of account	85	94	Yes
Accuracy of information on your statement of account	87	100	Yes
Clarity of instructions for submitting payments	82	95	Yes
Accuracy of instructions for submitting payments	83	98	Yes
Ease of submitting information	79	94	Yes
Ease of correcting mistakes	69	80	
Technical Assistance	83	72	
Representative's willingness to help	85	67	Yes
Knowledge of the representative	85	79	
Representative's understanding of the issues that affect your business	82	79	
Time it took for FSA to resolve your inquiry	80	73	
Training	74	84	Yes
Relevance of topics covered by the training sessions	73	87	Yes
Usefulness of the training	78	84	
Ease of using the training software	73	89	Yes
Speed of completing a training session	73	81	
Communication	81	80	
Timely	82	81	
Informative	81	83	
Useful	78	79	
Accurate	83	87	
Confidence in FSA systems	80	79	
Confidence in the accuracy of the information in the FSA systems	80	79	
Complained about FSA's administration of student loan program (percent)	17	13	
Complaint regarding LaRS or FSA's administration of the student loan program	17	13	
Sample Size	170	31	

Score Detail and Segmentation continued

Respondent Familiarity with Computers (self-reported)

	Novice	Moderate	Expert
Customer Satisfaction	75	70	74
Overall satisfaction	80	74	79
Meet your expectations	73	69	73
Ideal relationship	73	69	71
Invoicing Process	82	71	74
Availability of the LaRS system	84	77	83
Logging into the LaRS system	83	75	77
Ease of navigating the system	80	65	65
Clarity of instructions	81	66	72
Accuracy of instructions	83	73	77
Ease of submitting information	82	74	79
Ease of correcting mistakes	77	62	58
Payment	92	88	92
Timeliness in receiving payment information	92	87	91
Accuracy of payment information	91	89	92
Funds Remittance Process	90	83	85
Timeliness in receiving your statement of account	93	85	87
Accuracy of information on your statement of account	94	87	93
Clarity of instructions for submitting payments	90	82	85
Accuracy of instructions for submitting payments	91	82	87
Ease of submitting information	88	80	85
Ease of correcting mistakes	77	71	69
Technical Assistance	93	82	80
Representative's willingness to help	93	83	81
Knowledge of the representative	94	84	88
Representative's understanding of the issues that affect your business	94	82	81
Time it took for FSA to resolve your inquiry	93	78	77
Training	86	83	66
Relevance of topics covered by the training sessions	86	84	65
Usefulness of the training	92	85	69
Ease of using the training software	86	82	65
Speed of completing a training session	81	80	67
Communication	84	81	80
Timely	84	82	81
Informative	88	81	80
Useful	86	77	79
Accurate	88	84	82
Confidence in FSA systems	79	80	82
Confidence in the accuracy of the information in the FSA systems	79	80	83
Complained about FSA's administration of student loan program (percent)	4	18	5
Complaint regarding LaRS or FSA's administration of the student loan program	4	18	5
Sample Size	26	185	40

Score Detail and Segmentation continued

Internet Connection Available

	Dial up, accessibility to any site	Dial up, limited access to non- approved sites	Broadband, accessibility to any site	Broadband, limited access to non- approved sites
Customer Satisfaction	70	71	71	71
Overall satisfaction	73	76	74	74
Meet your expectations	68	70	69	70
Ideal relationship	71	69	69	68
Invoicing Process	72	74	72	68
Availability of the LaRS system	78	76	78	78
Logging into the LaRS system	76	80	75	74
Ease of navigating the system	70	68	65	65
Clarity of instructions	69	73	68	64
Accuracy of instructions	72	85	74	69
Ease of submitting information	75	80	75	73
Ease of correcting mistakes	64	58	65	57
Payment	87	93	89	87
Timeliness in receiving payment information	86	93	87	86
Accuracy of payment information	88	94	89	88
Funds Remittance Process	81	88	84	81
Timeliness in receiving your statement of account	84	93	87	80
Accuracy of information on your statement of account	87	91	89	88
Clarity of instructions for submitting payments	81	86	84	80
Accuracy of instructions for submitting payments	82	87	84	80
Ease of submitting information	80	84	80	82
Ease of correcting mistakes	64	79	71	74
Technical Assistance	87	82	82	78
Representative's willingness to help	90	83	83	79
Knowledge of the representative	89	85	86	80
Representative's understanding of the issues that affect your business	85	85	83	79
Time it took for FSA to resolve your inquiry	85	76	78	76
Training	87	76	77	72
Relevance of topics covered by the training sessions	87	72	77	71
Usefulness of the training	91	83	80	74
Ease of using the training software	85	83	74	72
Speed of completing a training session	83	67	76	72
Communication	81	80	81	77
Timely	83	81	82	78
Informative	84	82	81	77
Useful	80	73	78	76
Accurate	86	81	85	79
Confidence in FSA systems	80	80	83	76
Confidence in the accuracy of the information in the FSA systems	80	80	83	76
Complained about FSA's administration of student loan program (percent)	17	8	19	14
Complaint regarding LaRS or FSA's administration of the student loan program	17	8	19	14
Sample Size	60	26	96	44

Score Detail and Segmentation continued

Dialup vs. Broadband

	Dial up	Broadband	Significant Difference (90% conf. level)
Customer Satisfaction	70	71	
Overall satisfaction	74	74	
Meet your expectations	68	69	
Ideal relationship	70	69	
Invoicing Process	73	71	
Availability of the LaRS system	77	78	
Logging into the LaRS system	77	75	
Ease of navigating the system	69	65	
Clarity of instructions	70	67	
Accuracy of instructions	76	72	
Ease of submitting information	76	74	
Ease of correcting mistakes	62	63	
Payment	89	88	
Timeliness in receiving payment information	88	87	
Accuracy of payment information	90	89	
Funds Remittance Process	84	83	
Timeliness in receiving your statement of account	87	85	
Accuracy of information on your statement of account	88	88	
Clarity of instructions for submitting payments	83	83	
Accuracy of instructions for submitting payments	84	83	
Ease of submitting information	81	80	
Ease of correcting mistakes	68	72	
Technical Assistance	86	81	
Representative's willingness to help	88	81	Yes
Knowledge of the representative	88	84	
Representative's understanding of the issues that affect your business	85	82	
Time it took for FSA to resolve your inquiry	83	77	
Training	84	75	
Relevance of topics covered by the training sessions	83	74	
Usefulness of the training	89	77	Yes
Ease of using the training software	85	73	Yes
Speed of completing a training session	79	74	
Communication	81	80	
Timely	82	81	
Informative	84	79	
Useful	78	77	
Accurate	84	83	
Confidence in FSA systems	80	80	
Confidence in the accuracy of the information in the FSA systems	80	80	
Complained about FSA's administration of student loan program (percent)	14	17	
Complaint regarding LaRS or FSA's administration of the student loan program	14	17	
Sample Size	86	140	

Score Detail and Segmentation continued

Contact with Technical Assistance

	Contacted FSA for program or technical assistance	Did not contact FSA for program or technical assistance	Significant Difference (90% conf. level)
Customer Satisfaction	72	71	
Overall satisfaction	76	75	
Meet your expectations	70	69	
Ideal relationship	70	70	
Invoicing Process	73	72	
Availability of the LaRS system	79	77	
Logging into the LaRS system	76	76	
Ease of navigating the system	68	64	
Clarity of instructions	69	68	
Accuracy of instructions	74	75	
Ease of submitting information	75	76	
Ease of correcting mistakes	62	63	
Payment	90	88	
Timeliness in receiving payment information	88	88	
Accuracy of payment information	91	89	
Funds Remittance Process	84	84	
Timeliness in receiving your statement of account	86	86	
Accuracy of information on your statement of account	89	88	
Clarity of instructions for submitting payments	84	83	
Accuracy of instructions for submitting payments	84	84	
Ease of submitting information	83	79	
Ease of correcting mistakes	70	73	
Technical Assistance	83	--	
Representative's willingness to help	84	--	
Knowledge of the representative	86	--	
Representative's understanding of the issues that affect your business	83	--	
Time it took for FSA to resolve your inquiry	80	--	
Training	79	81	
Relevance of topics covered by the training sessions	79	82	
Usefulness of the training	83	83	
Ease of using the training software	77	83	
Speed of completing a training session	78	76	
Communication	81	80	
Timely	83	81	
Informative	82	81	
Useful	79	77	
Accurate	85	83	
Confidence in FSA systems	82	79	
Confidence in the accuracy of the information in the FSA systems	82	79	
Complained about FSA's administration of student loan program (percent)	21	7	Yes
Complaint regarding LaRS or FSA's administration of the student loan program	21	7	Yes
Sample Size	139	112	

Score Detail and Segmentation continued

Method for Contacting Technical Assistance

	1-800 number	FSA staffer directly	E-mail
Customer Satisfaction	71	75	73
Overall satisfaction	76	78	73
Meet your expectations	68	73	72
Ideal relationship	68	73	73
Invoicing Process	72	69	77
Availability of the LaRS system	78	74	86
Logging into the LaRS system	76	71	81
Ease of navigating the system	67	65	73
Clarity of instructions	68	67	73
Accuracy of instructions	73	69	79
Ease of submitting information	73	71	81
Ease of correcting mistakes	63	60	62
Payment	88	88	94
Timeliness in receiving payment information	87	88	92
Accuracy of payment information	89	87	96
Funds Remittance Process	81	87	90
Timeliness in receiving your statement of account	84	87	92
Accuracy of information on your statement of account	87	90	95
Clarity of instructions for submitting payments	81	86	89
Accuracy of instructions for submitting payments	82	87	89
Ease of submitting information	80	85	91
Ease of correcting mistakes	69	72	76
Technical Assistance	80	87	84
Representative's willingness to help	82	87	87
Knowledge of the representative	83	91	89
Representative's understanding of the issues that affect your business	80	88	87
Time it took for FSA to resolve your inquiry	77	85	80
Training	82	57	81
Relevance of topics covered by the training sessions	80	56	85
Usefulness of the training	85	56	87
Ease of using the training software	82	56	73
Speed of completing a training session	80	61	78
Communication	78	82	88
Timely	79	86	90
Informative	80	83	87
Useful	77	80	84
Accurate	83	81	93
Confidence in FSA systems	80	84	84
Confidence in the accuracy of the information in the FSA systems	80	84	84
Complained about FSA's administration of student loan program (percent)	23	21	16
Complaint regarding LaRS or FSA's administration of the student loan program	23	21	16
Sample Size	80	24	31

Score Detail and Segmentation continued

Resolution of Last Inquiry

	Resolved on initial phone call	Not resolved on initial phone call	Significant Difference
Customer Satisfaction	75	66	Yes
Overall satisfaction	79	69	Yes
Meet your expectations	73	65	Yes
Ideal relationship	73	65	Yes
Invoicing Process	75	70	
Availability of the LaRS system	83	74	Yes
Logging into the LaRS system	80	72	Yes
Ease of navigating the system	69	67	
Clarity of instructions	70	68	
Accuracy of instructions	76	71	
Ease of submitting information	76	73	
Ease of correcting mistakes	65	57	
Payment	92	86	Yes
Timeliness in receiving payment information	91	84	Yes
Accuracy of payment information	93	87	Yes
Funds Remittance Process	87	80	Yes
Timeliness in receiving your statement of account	90	81	Yes
Accuracy of information on your statement of account	94	82	Yes
Clarity of instructions for submitting payments	85	80	
Accuracy of instructions for submitting payments	86	81	
Ease of submitting information	86	78	
Ease of correcting mistakes	72	67	
Technical Assistance	89	71	Yes
Representative's willingness to help	90	75	Yes
Knowledge of the representative	91	77	Yes
Representative's understanding of the issues that affect your business	89	72	Yes
Time it took for FSA to resolve your inquiry	89	63	Yes
Training	85	62	Yes
Relevance of topics covered by the training sessions	85	62	Yes
Usefulness of the training	88	64	Yes
Ease of using the training software	83	60	Yes
Speed of completing a training session	84	60	Yes
Communication	86	75	Yes
Timely	87	76	Yes
Informative	87	74	Yes
Useful	84	71	Yes
Accurate	88	81	Yes
Confidence in FSA systems	84	78	Yes
Confidence in the accuracy of the information in the FSA systems	84	78	Yes
Complained about FSA's administration of student loan program (percent)	18	26	
Complaint regarding LaRS or FSA's administration of the student loan program	18	26	
Sample Size	85	53	

Score Detail and Segmentation continued

Training

	Completed a training session about the LaRS system	Did not complete a training session about the LaRS system	Significant Difference (90% conf. level)
Customer Satisfaction	75	71	
Overall satisfaction	82	74	Yes
Meet your expectations	72	69	
Ideal relationship	70	70	
Invoicing Process	73	72	
Availability of the LaRS system	79	78	
Logging into the LaRS system	75	76	
Ease of navigating the system	68	67	
Clarity of instructions	70	69	
Accuracy of instructions	75	74	
Ease of submitting information	76	75	
Ease of correcting mistakes	63	62	
Payment	88	90	
Timeliness in receiving payment information	86	89	
Accuracy of payment information	89	90	
Funds Remittance Process	85	84	
Timeliness in receiving your statement of account	87	86	
Accuracy of information on your statement of account	89	89	
Clarity of instructions for submitting payments	84	83	
Accuracy of instructions for submitting payments	86	84	
Ease of submitting information	85	81	
Ease of correcting mistakes	72	71	
Technical Assistance	83	83	
Representative's willingness to help	84	84	
Knowledge of the representative	84	86	
Representative's understanding of the issues that affect your business	84	83	
Time it took for FSA to resolve your inquiry	80	79	
Training	80	--	
Relevance of topics covered by the training sessions	80	--	
Usefulness of the training	83	--	
Ease of using the training software	79	--	
Speed of completing a training session	77	--	
Communication	85	80	
Timely	85	82	
Informative	85	81	
Useful	83	78	
Accurate	87	84	
Confidence in FSA systems	81	81	
Confidence in the accuracy of the information in the FSA systems	81	81	
Complained about FSA's administration of student loan program (percent)	18	14	
Complaint regarding LaRS or FSA's administration of the student loan program	18	14	
Sample Size	34	217	

Score Detail and Segmentation continued

Complaints

	Complained in past 6 months	Have not complained in past 6 months	Significant Difference
Customer Satisfaction	62	73	Yes
Overall satisfaction	66	77	Yes
Meet your expectations	60	71	Yes
Ideal relationship	59	72	Yes
Invoicing Process	63	74	Yes
Availability of the LaRS system	68	81	Yes
Logging into the LaRS system	67	78	Yes
Ease of navigating the system	61	68	
Clarity of instructions	62	70	
Accuracy of instructions	65	76	Yes
Ease of submitting information	62	78	Yes
Ease of correcting mistakes	54	64	
Payment	82	91	
Timeliness in receiving payment information	80	90	Yes
Accuracy of payment information	84	91	
Funds Remittance Process	77	86	Yes
Timeliness in receiving your statement of account	78	88	Yes
Accuracy of information on your statement of account	80	91	
Clarity of instructions for submitting payments	80	84	
Accuracy of instructions for submitting payments	79	85	
Ease of submitting information	72	84	
Ease of correcting mistakes	60	73	
Technical Assistance	78	84	
Representative's willingness to help	80	85	
Knowledge of the representative	83	87	
Representative's understanding of the issues that affect your business	75	85	Yes
Time it took for FSA to resolve your inquiry	75	81	
Training	79	80	
Relevance of topics covered by the training sessions	80	80	
Usefulness of the training	80	83	
Ease of using the training software	78	79	
Speed of completing a training session	80	77	
Communication	75	82	Yes
Timely	76	83	
Informative	73	83	Yes
Useful	67	80	Yes
Accurate	82	85	
Confidence in FSA systems	73	82	Yes
Confidence in the accuracy of the information in the FSA systems	73	82	Yes
Complained about FSA's administration of student loan program (percent)	100	--	
Complaint regarding LaRS or FSA's administration of the student loan program	100	--	
Sample Size	37	214	

Verbatim Comments

Following are selected verbatim comments respondents made in reply to open-ended questions on the survey.

All respondents were asked “Are there any specific ways FSA could improve its service to you?”

Invoice Process

Be a little more user friendly. The system is not explanatory or user friendly and there is no information on navigating the system, getting from page to page.

I need to know how to correct errors from past reports. I can correct the errors from recent reports, but I don't know how to correct the errors from a few quarters ago.

If an error is submitted there is no way to go in and correct it. No way to back up. That actually happened to us one time. We put in the wrong lender number and the information got sent in for another business. But there was no way for us to go back and correct it.

It is hard to get back to your place if you have been interrupted. If they could make the navigation process of the web system better then it would be a peach of a product.

It took me six months to learn how to print the 799 Ed form. And it is very hard to move from page to page. It is even hard to try and fix the mistakes. The accounting department loves it, though.

It would be simpler if you could print the entire report at one time. It would be nice if you could go back and correct your errors instead of having to wait till the next quarter.

My biggest hang up is being able to print out a copy of what I submitted to LaRS. They require a password to be changed every 120 days. Usually lenders only go in every quarter. Maybe they could relax that aspect. Maybe have you change it only once a year.

The form itself needs to be improved. If you enter data wrong in the program, the system should know that you've done that and now allow it. There needs to be some safety net.

They could improve the instruction for the LaRS report. Make it easier to understand more detailed.

They still have bugs in LaRS. It adds additional lines when you go in and correct something. Then when you go to see what you have corrected, you can't find it. It's there, but you can't find it because it's been dropped about 100 lines down.

When I try to back into the system after I have logged out, it is confusing pulling up the right quarter. I need to get a print out for the spring quarter so my staff knows what I did.

When you first log in to LaRS you have to go through all of the forms that you have created to get to the one that you are currently working on. I would like the one that I am working on

Verbatim Comments continued

currently to be the top one or the first one to come up, with the older ones to the back. There needs to be more error checking in the forms during the filling out of the forms process. More double checking of information.

Technical Assistance

I had a previous complaint and had an injury to work through the winter with. They could respond to the email that I sent to them. It was sent to the SMS.operations@ed.gov. They never replied to me about my complaints. I felt very victimized.

I really hate the system. I have said we need to get rid of it altogether. I can't do anything. I have called the help desk over and over and no one will call me back. They need to put out a very simple user guide.

Return my phone calls.

The help desk number, the 1-800 number, could be more responsive. It's hard to get someone to answer, and when you do finally get him or her to answer, some are helpful, and others are reluctant. I had to call back a second time because no one responded. I left a message and never got a response. Later, I found out they fixed the problem, but no one told us that it was fixed. I think they should give us a call back and deal with the problem. There is room for some improvements.

When you do call the help desk, if the person doesn't understand what you are talking about then they shouldn't be at the desk. They try and transfer you to everyone but no one really understands.

Training

I took over for someone 12 months ago and I don't know how to do anything. So far I have been having other people do it so I don't mess up. I would be really interested in some type of system training.

More training seminars available. Not just online, but something that I can attend locally and be tutored.

I would like training manuals or CDs.

We need to get more training about LaRS. When we have questions about the system, we don't know how to answer them.

Communications

Better communication. I don't know whether they are sending anything and I am just not getting it, or something else.

Verbatim Comments continued

When they send e-mails out, they don't say who it applies to. Be more specific. Answer my emails.

Printing and Reporting

Ability to print part of the form as opposed to the whole form. Making sure that all of the screen allows you to use the keyboard. Being able to have an immediate printable report would be nice. Sometimes they have blank lines in the data, like they are making up the data. Improve help on each screen so it tells you exactly what to do.

Every time I need to print out the form, I have problems with the instructions. I always have to call because there are 15 different steps needed to just print it. And they are very hard to understand. Printing should be very simple and it is not. Make the instructions on printing easier.

I have a hard time printing the form. I have to cut, copy and paste it into WordPad before I can actually print it out. If they could find some way to make the printing easier, it would be nice. It would save us a lot of time.

I would like to be able to see a complete report on file after we already sent in our 799 form. I only get to see the totals and not the whole thing. Also, we have changed our name and we are still getting file information with our old name. I sent in papers saying we did change our name but we have yet to see that they have understood that we did.

Improve the format in printing the reports. It is a cumbersome process. You have to go through a lot of steps. I recently received an email and the person took me through the steps to print and there were 9 steps to print. That should be more automated and should be more standardized.

The reports were off last month and this month. Delinquency reports take 10 days after the end of the month to come in to balance the month end reports. They come by federal express. The program itself runs pretty smooth.

The screens could be easier to print in reports. I would like to see a whole report come out complete instead of cut and paste.

The way the report is printed out on the computer. The report is printed out page to page or screen to screen and I have to paste it together. I then copy it again to get my copy. The whole report is not printed at one time. The whole report should just print with one push of a button.

Security Issues

Get a web site that is easier to get into. We can't get into the FSA web site because of the firewall. Our bank says that it isn't a secure site.

Verbatim Comments continued

I have to use a stand-alone computer to contact to the FSA. The security level is less than what we are allowed to use.

Small Institution Issues

For small institutions like ours, we would like more training.

Help a small lender to set up so that we know how to do our first month report.

I imagine for large financial institutions, LaRS is better, but for smaller institutions it is easier to do it on paper. The paper copies are easier.

Small lenders might not be as technical as the larger lenders, so the instructions are too wordy and we have a hard time understanding them and being able to follow them. If they simplify the instructions that would good.

We are a very small bank and they allow us to use the old paper system, so we send everything through the mail.

We no longer make any loans because the program we were using became too complicated. I don't know if using the new program would make things better for us. We are a very small bank.

General

Add something to the web site for lenders to create a view file for the settlement letter. That way we could see if we owe money or if they are getting money. It would be nice if we could view it online instead of calling the service center and getting the wrong information. Other than that it is much better than working with paper.

Be a little more user friendly. I need something I can walk through by myself. The system is harder for the people who don't know a lot about computers. It would be better if it was a little plainer so that everyone could pick it up right away instead of struggling through it.

Communicate changes to the program.

Contact us so we can figure out how to get this program working. No one knows how to service these loans. We don't even know how to report anything. We haven't been able to contact FSA because we don't even know the number to call. We don't even know the web address.

Continue to allow lenders to use the paper filling as needed.

Figure out how to get the program on my computer. We never could get the program installed or downloaded. We had our tech crew come and they couldn't figure it out and the people at FSA couldn't tell us how to get it to work.

Verbatim Comments continued

I have not been using the LaRS system because it is so temporary and because it is so complicated. Transfer the servicing of the loans out to other teams connected to the Pennsylvania GA.

I never got my password, so I haven't been able to access the system. It was months ago that I tried to get it. I haven't heard back from anyone regarding the matter.

I think they need to explain more. Don't use so many acronyms. They assume that everyone knows what all the acronyms mean. If they could just make it a little more self-explanatory, it would help a lot.

I would like the ability to get a sort feature. With the new lenders, I have to go down page by page and put them in a spreadsheet as it stands.

It would be nice if the instructions in the manual were not as high-tech. We are little people who know little words.

Make it more user friendly. We are still on the old system because we do not have the computers to be on the new system.

Make it work. If it would work with my system, it would be great. It was working, now it does not work with our new system. It does not work with the XP-home platform.

Make the web site easier. Get the SMS system easier, because it changes a lot.

Portals. Inform us on the portal updates. Sometimes we don't know that the portal has been updated so we have to call the number and find out the code. Another company used our service code so we couldn't submit our LaRS. There needs to be some security that makes it so you can't log in to someone else's company.

Strive for more communication between the lenders and servicers with the FSA.

Their service is very good. I like it. Give me the instructions on how to fill out the codes. I always need to call and have help filling out the forms. Is there information on how can I print out the forms when I fill out the forms? Also, I would like training manuals or CDs.

They have been more than helpful with regards to our old system. Everyone that worked with the system seems to like it much better than the old one. We had lots of problems before. And now things are going really well.

They need to be able to consolidate their web sites with the ability to go through a directory with a search engine to get to my own files, on the site to get to my files. To get to the LaRS site, I pull up the LaRS site and I get the SARS site. If I do FSA search, I have to bring up three or four sites to get to the one that I want.

We submit NSLDS on a disk and it would be nice if we could do that on the web. It would make it easier for me because I am doing everything else on the web.

When we initially setup, remember that not everyone is a computer genius.

U.S. Department of Education LaRS Questionnaire

Introduction

The Department of Education is deeply committed to meeting the needs of its customers. This survey is part of an initiative that the Office of Federal Student Aid (FSA), specifically the Financial Partners channel, has undertaken to improve its customers' satisfaction. The purpose of the study is to identify how well FSA is doing in serving you, our Financial Partners, in the joint task of providing and administering financial aid to students. This survey will focus on your interactions with FSA on issues related to the Lender Payment Process (LaRS/ED 799).

Your comments will remain strictly confidential, and you will never be identified by name. CFI Group, a third party research and consulting firm, is administering this survey via a direct connection to their server. The survey will take around 10 minutes to complete. This survey is authorized by the U.S. Office of Management and Budget Control No. 1845-0045.

To begin the survey, please click on the "Next" button below. If you are unable to complete the survey at any time, simply click the "Save" button at the bottom of the screen and follow the instructions to complete the survey at a later date. The survey will take about 10 minutes to complete.

Thank you for your participation!

Demographic Questions

Before we begin, we'd like to ask you few questions about yourself.

DEMO1. How would you classify your institution's primary role related to the Department of Education?

- 1 Lender
- 2 Servicer

DEMO2. When you contact FSA, which office do you typically contact?

- 1 Washington, DC
- 2 Atlanta
- 3 Boston
- 4 Chicago
- 5 Dallas
- 6 New York
- 7 San Francisco
- 8 Other office
- 9 Have not contacted an office

DEMO3. In the past 12 months, have you completed a Department of Education-sponsored training session about the LaRS system?

DEMO4. In the past 12 months, have you been personally involved in submitting financial reports to FSA?

DEMO5. In the past 12 months, have you contacted FSA for program or technical assistance with LaRS?

Questionnaire continued

DEMO6. How do you typically submit invoicing and financial information to FSA?

- 1 Web
- 2 FTP
- 3 Both

Invoicing Process

(Ask the following questions if DEMO4=Yes)

Think about your interaction with FSA in the process of invoicing and receiving interest and special allowance payments using LaRS. Using a 1 to 10 scale, where "1" means "poor" and "10" means "excellent", how would you rate the...

- INV1. Availability of the LaRS system
- INV2. Logging into the LaRS system
- INV3. Ease of navigating the system
- INV4. Clarity of instructions
- INV5. Accuracy of instructions
- INV6. Ease of submitting information
- INV7. Ease of correcting mistakes
- INV8. (if DEMO1=1) Timeliness in receiving payment information
- INV9. (if DEMO1=1) Accuracy of payment information

Funds Remittance Process

(Ask the following questions if DEMO4=Yes and DEMO1=1)

Think about your interaction with FSA in remitting funds for fees due to the Department of Education using LaRS. Using a 1 to 10 scale, where "1" means "poor" and "10" means "excellent", how would you rate the...

- FUND1. Timeliness in receiving your statement of account (bill)
- FUND2. Accuracy of information on your statement of account
- FUND3. Clarity of instructions for submitting payments
- FUND4. Accuracy of instructions for submitting payments
- FUND5. Ease of submitting information
- FUND6. Ease of correcting mistakes

Questionnaire continued

Technical Assistance

(Ask the following questions if DEMO5=Yes)

TECH1. On your last inquiry to FSA, how did you contact FSA?

- 1 Called the 1-800 number
- 2 Called an FSA staffer directly
- 3 E-mail
- 8 Don't Know

Now think about the assistance you received on your last inquiry regarding LaRS. On a scale from 1 to 10, where "1" means "poor" and "10" means "excellent", please rate the...

TECH2. Representative's willingness to help

TECH3. Knowledge of the representative

TECH4. Representative's understanding of the issues that affect your business

TECH5. Time it took for FSA to resolve your inquiry

TECH6. Thinking about your last inquiry, was it resolved on your first contact with FSA?

- 1 Yes
- 2 No
- 8 Don't Know

Training

(Ask the following questions if DEMO3=Yes)

Please consider the LaRS training you completed. On a scale of 1 to 10, where "1" means "poor" and "10" means "excellent", how would you rate the:

TRN1. Relevance of topics covered by the training sessions

TRN2. Usefulness of the training

TRN3. Ease of using the training software

TRN4. Speed of completing a training session

Communication

Think about the communications you receive from FSA about LaRS, such as e-mail alerts, bulletins, and newsletters. Using the same 1 to 10 scale, how would you rate the communications on being:

COMM1. Timely

COMM2. Informative

COMM3. Useful

COMM4. Accurate

COMM5. Available in a variety of formats (possibly "available in a convenient format"?)

Questionnaire continued

ACSI Benchmark Questions

- ACSI1. Now, please consider all of your job-related experiences working with the LaRS process. Using a 10 point scale on which "1" means "very dissatisfied" and 10 means "very satisfied", how satisfied are you with the LaRS process?
- ACSI2. Consider now all of your expectations for working with the LaRS process. Using a 10 point scale on which "1" now means "falls short of your expectations" and "10" means "exceeds your expectations," to what extent has working with the LaRS process fallen short of or exceeded your expectations?
- ACSI3. Now forget for a moment your experience working with the LaRS process. Imagine an ideal process for providing federal loan program support for institutions such as yours. How well do you think the LaRS process compares with that ideal process? Please use a 10 point scale on which "1" means "not very close to the ideal," and "10" means "very close to the ideal."

Demographic Questions

- DEMO7. In what department do you work?
- 1 IT
 - 2 Accounting
 - 3 Loans
 - 4 Other (**specify**)
- DEMO8. How would you characterize your familiarity with computers?
- 1 Novice
 - 2 Moderate
 - 3 Expert
- DEMO9. How would you characterize your internet connection at work?
- 1 Dial up, accessibility to any site
 - 2 Dial up, limited access to non-approved sites
 - 3 Broadband, accessibility to any site
 - 4 Broadband, limited access to non-approved sites
 - 5 Other (**specify**)

Closing

- CLOSE1. On a scale from 1 to 10, where 1 is "not at all confident" and 10 is "very confident", how confident are you in the accuracy of the information in the FSA systems, including LaRS?
- CLOSE2. In the past 6 months, have you ever complained to the Department of Education regarding LaRS or FSA's administration of the student loan program?
- 1 Yes
 - 2 No
- CLOSE3. Finally, are there any specific ways FSA could improve its service to you? (**i.e., with respect to any aspect of the relationship between your institution and FSA**) (**enter verbatim response**)

Thank you again for your time. To complete the survey and submit the results, please hit the "Finish" button below. Have a good day!