June 1, 2010

Mr. John O'Brien, Director Legislative Budget Board Post Office Box 12666 Austin, Texas 78711

Mary Katherine Stout, Director Governor's Office of Budget, Planning and Policy Post Office Box 12482 Austin, Texas 78711

RE: Report on Customer Service

Passed during the 81st Session of the Texas Legislature, the Texas Department of Motor Vehicles (TxDMV) was created in June 2009 when Governor Rick Perry signed House Bill 3097 into law. The TxDMV became operational on November 1, 2009.

In fulfillment of statutory requirements and as directed by the Agency Strategic Plan Instructions for Fiscal Years 2011-2015, issued jointly by the Legislative Budget Board and the Governor's Office of Budget, Planning and Policy, the Texas Department of Motor Vehicles Report on Customer Service for the 2010-2011 biennium is provided. The report includes response rates, customer survey data, and the customer service strategic vision for Fiscal Year 2011.

If you have any questions or concerns, please do not hesitate to contact me at (512) 465-3001.

Sincerely,

Signature on file

Edward Serna Executive Director

Enclosures

cc: Thomas Galvan, Legislative Budget Board Jeremiah Kuntz, Governor's Office of Budget, Planning and Policy



2010 REPORT ON CUSTOMER SERVICE

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
INTRODUCTION	4
TRAINING	4
Methodology	5
Instrument	5
Population Definition and Response Rate	5
Data Collection	6
Data Limitations	6
Analysis	6
Dealer Training Seminars (DTS)	6
Red Flag	6
e-Tag	7
CUSTOMER RELATIONS	7
Methodology	7
Instrument	7
Population Definition and Response Rate	7
Data Collection	8
Data Limitations	8
Analysis	
STRATEGIC VISION FOR CUSTOMER SERVICE IN FY 2011	9
Project Overview	10
Methodology	10
Methods of Delivery	11
e-mail and Correspondence Customers	
Telephone Customers	11
Walk-In Customers	11
APPENDIX A – SURVEY SAMPLES	12
E-mail and Correspondence Customers	13
Telephone Customers	
Walk-In Customers	
County Tax Assessor-Collector Walk-In Customers	19
Online Customers	20

Report on Customer Service June 1, 2010

EXECUTIVE SUMMARY

Passed during the 81st Session of the Texas Legislature, the Texas Department of Motor Vehicles (TxDMV) was created in June 2009 when Governor Rick Perry signed House Bill 3097 in law. The TxDMV became operational on November 1, 2009.

TxDMV's responsibilities that were transferred from the Texas Department of Transportation (TxDOT) include vehicle registration and titling, issuing motor carrier operating authority, motor carrier enforcement, licensing vehicle dealers, and awarding law enforcement agencies grants to reduce auto theft and increase public awareness. The TxDMV is governed by a nine-member board whose members are appointed by the governor to six-year terms. The agency's executive director oversees daily operations.

The *Report on Customer Service* is a tool to assess how well the TxDMV is meeting the needs of its external and internal customers and partners. In addition, feedback received from the survey respondents is a catalyst for driving change and improving agency processes.

June 1, 2010

INTRODUCTION

This report is submitted in compliance with Section 2114 of the Texas Government Code which requires state agencies and institutions of higher education to develop customer service standards and implement customer satisfaction assessment plans. The agency's activities and reporting under this statute were guided by the Governor's Office of Budget, Planning and Policy / Legislative Budget Board Instructions for Preparing Agency Strategic Plans for Fiscal Years 2011-15.

The agency is still in the development stages of creating customer service standards and customer satisfaction assessment plans. The agency will develop an overall customer satisfaction survey for inclusion in the next reporting period (Fiscal Year 2012). In addition, the agency is still in the process of reorganization and will therefore have additional customer satisfaction results in the next reporting period.

In future reporting periods the key elements will be expanded to include new items that establish a baseline from which progress on new initiatives can be measured. The agency's priorities for reorganization efforts include consumer relations, communication, staff development, organizational infrastructure, and making a difference in the lives of motoring Texans.

This report contains customer satisfaction assessment information in the following two areas:

- Training
- Customer Relations

TRAINING

In strategy A.1.2., Vehicle Dealer Regulation, the Enforcement Section is charged with conducting Dealer Training Seminars (DTS), Red Flag, and e-Tag training.

DTS is designed to educate dealers about vehicle dealer laws. The basis for developing the seminars was to educate dealers about the regulatory requirements of the TxDMV, Comptroller's Office, the Office of Consumer Credit Commission and others in an effort to reduce the high number of minor enforcement actions against dealers. The seminars also provide the opportunity for the regulators and licensees to meet in an informal setting and answer questions, exchange ideas, and discuss issues. In Fiscal Year 2009, a total of 1843 dealers attended the seminars offered throughout the state. Seminars were held in Waco, Austin, San Antonio, Dallas, Houston, Brownsville, Abilene, Corpus Christi, Nacogdoches, Beaumont, and Wichita Falls. So far in Fiscal Year 2010, there have been more than 825 dealers attend training.

Red Flag is also an established training program that teaches the county Tax Assessor Collector (TAC) employees to identify possible title fraud and odometer rollbacks.

E-tag training is provided to law enforcement and is designed to teach them how to identify fraudulent e-tags. It allows vehicle dealers to print out temporary tags, owners to keep their plates when purchasing a new vehicle and sellers to file a transfer notification online at no

charge. The use of e-tags is covered for dealers in the DTS; therefore this training is specific to law enforcement.

Training participants were requested to rate and submit a post-training customer satisfaction survey for each of the three types of trainings mentioned above. The analysis of the surveys is included in the analysis section below.

Methodology

Instrument

The agency utilized the survey instrument that has been used in the past to allow respondents to rate the performance and effectiveness of trainings offered and express key concerns.

Population Definition and Response Rate

The population for the dealer training seminar survey is comprised of franchise dealers, independent dealers, other licensee, other agency, and other unlicensed. In Fiscal Year 2009, the respondent break-down is as follows:

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Business Affiliation														
Franchise	23	17	14	30	6	14	46	30	34	8	5	14	241	16.62%
Independent	73	44	64	91	65	35	153	82	118	55	45	49	874	60.28%
Other Licensee	0	5	3	8	2	2	3	8	3	2	3	1	40	2.76%
Other Agency	3	2	5	1	0	4	9	5	2	5	1	6	43	2.97%
Other Unlicensed	4	3	3	5	4	2	8	2	7	1	1	3	43	2.97%
No Response	29	9	25	15	13	7	35	16	26	23	5	6	209	14.41%
TOTAL	132	80	114	150	90	64	254	143	190	94	60	79	1450	

42% of respondents have been in business one to 10 years; 14.5% less than a year; and, 28.5% have been dealers for over 10 years.

The population for the Red Flag training survey is comprised of county Tax Assessor-Collector employees from across the state. Surveys were sent to 10 county Tax Assessor-Collector offices. Of the 10 surveys sent via email, 60% responded.

The population for the e-tag training survey is comprised of law enforcement entities from across the state. Surveys were sent to 16 law enforcement entities. Of the 16 surveys sent via email, 83% responded.

Data Collection

All data for the surveys were collected by a web-based survey software program or via e-mail to all training participants. Potential respondents were notified about the survey through an e-mail that included a link to the questionnaire posted on the Web or with an attachment of the survey tool which included response submittal instructions.

Throughout the data collection process, staff responded to e-mail inquiries regarding the survey and any technical questions that the respondent may have had. Potential respondents were given a time period in which to respond in direct relation to the date of the training.

Data Limitations

The data analysis is not entirely scientific. Even though the response rates were high, in some cases the population was too low to be scientifically significant because it consisted of a random sample of only of those that were participants of the trainings.

Analysis

Dealer Training Seminars (DTS)

The overall indication of the seminar was excellent. Of those that responded 60.4% thought it was excellent, 29.5% gave a good rating, and 1% only gave it a fair rating. 70% did not respond.

When polled on how respondents felt about the importance of education to their industry, 80.7% responded that a dealer should be required to attend a DTS course before obtaining a license, 96% indicated positive feedback to continued education for dealers, and 67% indicated that DTS should be mandatory. Over half of the respondents (58.7%) indicated that an applicant should be required to pass a test before receiving a license.

Comments received in the comments section for overall impression of the seminar included:

- "Excellent & much more entertaining than I expected." (Dallas- 3-19-09)
- "Very detailed & represented what information I was looking to learn. Thanks!" (Wichita Falls, 8-18-09)

Red Flag

Overall, the indication for the training was excellent. When asked if the Red Flag training would be recommended to others, 100% of respondents indicated that they would recommend to others. Additionally, 100% of respondents indicated that the instructor of the course was professional and courteous.

100% of the respondents rated the material presented as excellent or good. Furthermore, 67% of respondents gave an excellent rating when asked whether the presentation was interesting and organized; and 50% gave an excellent rating when asked about having their questions answered

clearly.

Comments received for overall impression of the seminar included:

- "This information was very informative, keep up the good work."
- "All in all time well spent."

e-Tag

Overall, the indication for the training was rated excellent. When asked if the e-tag training would be recommended to others, 100% of respondents indicated that they would recommend to others. Additionally, 92% of respondents specified that the instructor of the course was professional and courteous.

As shown by respondents, 83% indicated that the material presented was excellent, while the other 17% felt the material was good. There were no respondents that indicated a fair or poor rating for this data point. Furthermore, 83% of respondents designated an excellent rating for interesting and organized presentation; and 83% indicated an excellent rating in regards to having their questions answered clearly.

Comments received in the comments section for overall impression of the seminar included:

- "Very informative class. Instructors were very helpful and this information helps me every day in a law enforcement capacity."
- "This was an excellent course ... thanks for providing this training opportunity to us!"

CUSTOMER RELATIONS

Methodology

Instrument

After the creation of the TxDMV in November 2009, the Customer Relations Management (CRM) database was created to comply with the Compact with Texans, enacted in Government Code, Section 2114.006. Currently, the database is used to store and catalog all complaints, compliments, and suggestions received. The agency is working to expand the capabilities of the database to include status, resolution type and resolution date, and customer contact information.

Population Definition and Response Rate

For the purposes of this report, the population is defined as any customer that reported a complaint, compliment, or suggestion for the TxDMV. The population consists of the general public, law enforcement entities, county Tax Assessor-Collectors, motor vehicle industry representatives, and motor carrier industry representatives.

Data Collection

All data presented was collected solely from the current Customer Relations Management database. This consists of customer complaints, compliments, and suggestions from various customer types, including the general public.

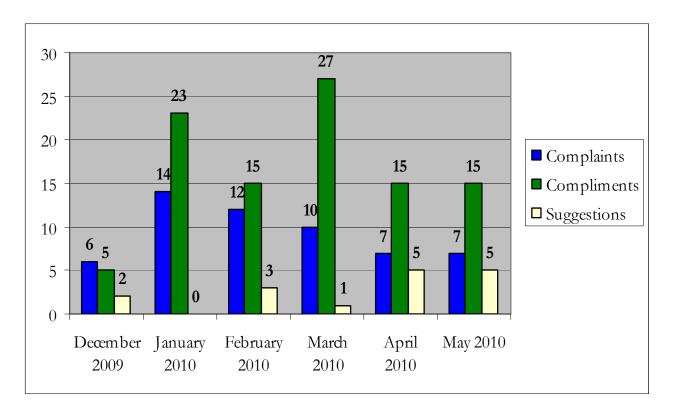
Data Limitations

The data included in this report was gathered solely through received customer complaints, compliments, and suggestions. No surveys were administered to actively solicit input form partners or customers during this period. However, as outlined below in the Strategic vision for Customer Service in FY 2011, a formal methodology will be developed to obtain data from partners and customer groups to provide a sound basis for analysis and decision-making purposes.

Analysis

In November 2009, the agency began recording customer complaints. In December 2009, the agency included compliments and suggestions in the database. Initially, the ratio of complaints to compliments was relatively equal. However, in the past few months that ratio has significantly increased to nearly 2:1, with March 2010 data indicating a ratio of nearly 3:1.

The information contained in the table below represents the data collected over the past six months of operations:



A sampling of compliments received from customers include:

- "Customer Service is a dying skill. It is important to commend when one sees it in others. She showed excellent customer service, and I wanted you to know that."
- "I wanted to thank the agency for having such an excellent representative. Your customer service was outstanding."
- "You are wonderful! I was trying to obtain the title for over three weeks with a few calls. With you, I just spent one minute on the phone and I got an answer. You are great!"

STRATEGIC VISION FOR CUSTOMER SERVICE IN FY 2011

At the TxDMV, we recognize our responsibilities to both the citizens of Texas and the motor vehicle industry. In the upcoming fiscal year, we will work to fulfill our legislative mandate to perform vehicle registration and titling, issuing motor carrier operating authority, motor carrier enforcement, licensing vehicle dealers, and awarding law enforcement agencies grants to reduce auto theft and increase public awareness while protecting the people and businesses that are served by the industry. We pledge to provide high quality service to all our customers.

TxDMV strives for excellent customer service through our professional attitude, competence, and efficiency. All customers can expect the TxDMV to:

- exercise courtesy and respect;
- be fair, ethical, and professional;
- provide timely and responsive service;
- give clear, accurate, and consistent information;
- follow through on our commitments;
- strive for continuous improvement in all of our services; and
- go the extra mile in our efforts to serve.

For the past six months, staff have been developing a Customer Satisfaction Survey to pilot first with e-mail, letter and phone customers and then expand to include regional office walk-in customers, agency partners and stakeholders. All customers of the DMV will be given the opportunity to participate in the survey.

The target date for the release of the pilot is June 2010. The agency plans to invite customers to take a short survey by including a tag line in daily e-mails and letters, and extend verbal invitations to all call center customers as well as regional office walk-in customers. The customers will be invited to take a concise 8-10 question survey tailored to their specific customer service experience. The survey will be maintained and can be easily accessed through our web site.

The Customer Satisfaction Survey will be launched for participation by all agency customers by September 1, 2010. The Customer Satisfaction Survey will partner with the CRM database in serving as the primary source for assessing future customer service performance. Customer feedback from these sources will allow the agency to conduct an improvement assessment in

June 1, 2010

conjunction with the vision of providing the best possible, first time, one-touch service to all customers. Specific and meaningful customer service performance measures will be developed based on the feedback from these two important CRM tools.

Project Overview

The Customer Satisfaction Survey provides a unique opportunity to tap our everyday customers for welcomed feedback as we redefine the traditional DMV customer experience. The survey message we wish to convey is, "We place you, the customer, at the top of our list, and are looking for ways to give you the best customer service you have ever experienced."

Keys to achieving outstanding customer service in the new agency are to provide:

- simple and concise answers to important questions;
- first contact resolution; and,
- an easy to navigate web site giving the customer meaningful information and answers to their questions the first time, even during non-work hours.

The pilot survey will target our external e-mail and correspondence customers, telephone customers, walk-in customers and on-line customers. Future surveys will be uniquely tailored to gather feedback from external customers, as well as various stakeholders, such as law enforcement, financial institutions, motor vehicle dealers, Public Information Officers (PIO), apportion carriers and Tax Assessor-Collectors. This information will help aid transition to the new Texas DMV by creating a stronger and more efficient customer service environment.

The team will use customer responses to recommend improvements, streamline processes and create advances in our vision of world-class customer service and our goal to serve the customer right the first time, every time.

Methodology

After answering inquiries by e-mail, correspondence, online, telephone and walk-in visits, customer service employees will refer customers to an online survey. The survey consists of approximately 10 questions regarding the speed of service, information clarity and overall satisfaction. The survey should take no more than two minutes to complete.

The first question of the electronic version of the survey utilizes the "skip logic" format, meaning the customer's initial response will change subsequent survey questions. For example, if a customer's answer implies they communicated by e-mail, then subsequent questions ask the user about their e-mail corresponding experience with the Correspondence Services Branch (CSB) via e-mail. The survey accordingly routes users selecting other methods of contact, such as correspondence, walk-in, telephone and online and distinguishes between county and VTR contacts.

The surveys come in both paper and electronic form, although they all ultimately register in electronic form. The regional offices enter the paper surveys collected in their office onto the

Report on Customer Service

June 1, 2010

Web site at the end of each workday, or workweek as feasible. All other surveys are in the electronic format and collected on the Web site. A manual spreadsheet or pre-existing survey software then tabulates the results of the survey.

The survey population initially consists of walk-in customers, online customers, and customers telephoning or corresponding with Customer Service Section (CSS) Regional Offices, the Correspondence Services Branch, the Customer Services Call Center or any County Tax Assessor Office (TAC), to include their substations. The survey does not target a specific gender, age range or financial demographic. Later uses of the survey will target the TACs for their reaction to VTR service, our major stakeholders and internal customers.

Methods of Delivery

There are several delivery methods available to our customers. They can use the Call Center, visit or call a regional or county office, correspond with us via email or regular postal mail and they may also visit our Website. At each point of entry there is a plan to seek customer feedback.

e-mail and Correspondence Customers

The closing line of e-mails and correspondence will contain a URL address referring customers to a survey on the DMV Web site. Participating customers will click on the link to access the survey on the DMV Web site.

Telephone Customers

The agency representative refers a customer to the DMV Web site to complete the survey. The representative may also email to the customer the URL address so the customer is able to easily link to the survey on the DMV Web site.

Walk-In Customers

The counter representative *directly* provides the customer with a survey card, asking them to complete it before they leave or to respond online. The card contains the URL address for the customer to use at home if they choose not to submit the card during the visit. Customers who choose to fill it out in the office will place the completed survey into a comment box. The representative must give a card to every customer, instead of simply leaving a stack by the door.

Online Customers

The front page of the DMV Web site may feature a button, linking the customer to the survey. Links to the survey may also appear in high-interest areas, such as "Forms" or "FAQs." The Web site may automatically reroute customers to the survey once they complete transactions, such as Vehicle Transfer Notifications, Change of Address or Registration Renewals.

APPENDIX A – SURVEY SAMPLES

E-mail and Correspondence Customers

1.	The tone of the e-mail or correspondence I recently received was Pleasant Bureaucratic Unpleasant Other
2.	The language of the e-mail or correspondence was: Easy to understand Adequate Complicated Other
3.	The information provided in the e-mail or correspondence: Was simple, clear and complete Resolved your problem or situation Was bureaucratic and confusing Did not answer your question Other
4.	Our speed of service: Was faster than expected Adequately met your needs Could be improved Other
5.	The customer service representative: Answered your question with the first e-mail or letter Had to research your situation, but replied with an answer Pointed you in the right direction Was unable to answer your question Other
6.	Today's transaction: Went smoothly Pointed you in the right direction Did not go well Other
7.	In the future, would you prefer information: Online Walk-in E-mail Telephone

Report on Customer Service	June 1, 2010
Other	
8. Do you have any suggestions for improving our service?	

Telephone Customers

1.	Your call was: A new inquiry A follow-up to clarify information online or from correspondence Other
2.	The customer service representative: Answered your question on the first call Had to research your situation, but replied with an answer Pointed you in the right direction Was unable to answer your question Other
3.	The tone of the phone call was: Pleasant Bureaucratic Unpleasant Other
4.	The information provided to you during the call: Was simple clear and complete Resolved your problem or situation Was bureaucratic and confusing Did not answer your question Other
5.	Our speed of service: Was faster than expected Adequately met your needs Could be improved Other
6.	Today's transaction: Went smoothly Pointed you in the right direction Did not go well Other
7.	In the future, would you prefer information: Online Walk-in E-mail Telephone Other

Report on Customer Service June 1, 2010

8. Do you have any suggestions for improving our service?

Walk-In Customers

1.	Our office is: Easily accessible Adequately accessible Difficult to access Other
2.	The information provided to you during the visit: Was simple, clear and complete Resolved your problem or situation Was bureaucratic and confusing Did not answer your question Other
3.	The customer service representative: Answered your question Had to research your situation, but replied with an answer Pointed you in the right direction Was unable to answer your question Other
4.	Our speed of service: Was faster than expected Adequately met your needs Could be improved Other
5.	Today's transaction: Went smoothly Pointed you in the right direction Did not go well Other
6.	The office experience was: Pleasant Bureaucratic Unpleasant Other
7.	Our payment methods: Satisfy your needs Need to offer more options Other
8.	In the future, would you prefer information:

Report on Customer Service	June 1, 2010
 ☐ Online ☐ Walk-in ☐ E-mail ☐ Telephone ☐ Other 	
9. What additional services would you like our office to offer?	
10. Do you have any suggestions for improving our service?	

June 1, 2010

County Tax Assessor-Collector Walk-In Customers

1.	The information provided to you during the visit: Was simple, clear and complete Resolved your problem or situation Was bureaucratic and confusing Did not answer your question Other
2.	The customer service representative: Answered your question Had to research your situation, but replied with an answer Pointed you in the right direction Was unable to answer your question Other
3.	The county tax office's speed of service: Was faster than expected Adequately met your needs Could be improved Other
4.	The transaction: Went smoothly Pointed you in the right direction Did not go well Other
5.	The office experience was: Pleasant Bureaucratic Unpleasant Other
6.	The payment methods: Satisfy your needs Need to offer more options Other
7.	What additional services would you like the county tax office to offer?
8.	Do you have any suggestions for improving their service?

Online Customers

1.	Which service did you utilize on our site? Vehicle Transfer Registration Renewal Specialty Plates Other
2.	The information provided to you on the site: Was simple clear and complete Resolved your problem or situation Was bureaucratic and confusing Did not answer your question Other
3.	The "Frequently Asked Questions" (FAQs) section of our Web site: Was very helpful Adequately met your needs Did not answer your question Not used Other
1.	The "Forms" section of our Web site was: Easily accessible Adequately accessible Difficult to access Not used Other
5.	Our online information: Helped resolve your problem or situation Pointed you in the right direction Did not answer your question Other
6.	Our payment methods: Satisfy your needs Need to offer more options Other
7.	In the future, would you prefer information: Online Walk-in E-mail Telephone

Report on Customer Service	June 1, 2010						
Other							
8. Do you have any suggestions for improving our service?							