



Australian Market Intelligence

Item A108
Attachment No. A108.1
10th January 2000

Consumer
Research
Group

1-61 Banksia Street
Joondanna WA 6060
Australia

Telephone: (08) 9201-2995
Facsimile: (08) 9443-9959



COMMUNITY SATISFACTION BENCHMARKING RESEARCH

prepared on behalf of the

Shire of Serpentine-Jarrahdale

by

Australian Market Intelligence

1999

CONTENTS

Executive Summary	2
Introduction	3
Research Objectives	4
Research Approach	5
Sampling and Data Collection	5
Questionnaire Design	6
Statistical Process	7
Sample Profile	8
Overall Satisfaction	9
Performance	10
Factor Analysis	10
Regression Analysis	11
Relative Importance	11
Performance on Individual Services/Facilities	12
Performance Benchmarks	12
Preferred Communication Method	14
Rate Rise Allocation	15
Loss of Services/Facilities with No Rate Rise	16
External Funding of Council Services/Facilities	17
Conclusion and Recommendations	18
Appendix	19

EXECUTIVE SUMMARY

The Shire of Serpentine-Jarrahdale commissioned Australian Market Intelligence to undertake a community survey to determine the level of satisfaction with, and perceptions of, Council's services and facilities. This was undertaken during November 1999 and involved random sampling and telephone interviewing of respondents from 150 households from each of five regions within the municipality.

The research found that 50.0% of all respondents surveyed were dissatisfied with the services and facilities provided by Council. A further 16.3% expressed a neutral opinion, being neither satisfied nor dissatisfied with Council's performance.

The twenty-two specific services and facilities listed in the research were reduced to five statistically associated factors. These were:

- built environment
- health and community services
- environmental balance
- pedestrian traffic
- safety and security.

Analysis revealed that the "built environment" and "health and community services" have a significant effect on overall satisfaction. That is to say, improvements in the areas covered in "built environment" and "health and community services" would increase the community's level of satisfaction with the Council. The remaining three factors were not found to significantly affect overall satisfaction levels.

Of the elements comprising the "built environment" and "health and community services", the service delivery gaps were found to be greatest in the areas of :

- road construction
- community consultation
- youth issues
- aged and disabled care

The largest proportion of ratepayers (32.7%) indicated that in the event of a 5% rate rise, they would elect that it be directed towards road construction. Our recommendation is for the Shire of Serpentine-Jarrahdale to prioritise its efforts in this area. While a proportion of respondents believed that the Council should receive external funding assistance for recycling, the relative unimportance of this in raising satisfaction levels, indicates it need not be an immediate priority for the Council.

The Shire of Serpentine-Jarrahdale experiences a service delivery gap with regard to community consultation. To address this, Council should utilise a Council newsletter on a regular basis, and attempt more personal communication with residents on issues that directly impact on them.

In benchmarking it against aggregated results from other rural municipalities participating in this and the 1998 survey, the Shire of Serpentine-Jarrahdale compares well in four performance factors. It does, however, fall short of best practice in all five of them.

INTRODUCTION

Community consultation is playing an increasingly important part in local government activities. More importantly, Councils are becoming increasingly aware of the need to respond to community expectations in regard to service delivery. One way to gauge this is by conducting regular community surveys.

While a large number of local government authorities in the state conduct community surveys, the ad-hoc nature of the frequency, depth and method of surveying has thrown doubt on the usefulness of results obtained.

The Shire of Serpentine-Jarrahdale acknowledges the need for professional and un-biased research into their community's perceptions of Council's performance in delivering its services and facilities. With the growing emphasis on benchmarking and best practice within local government, they recognise the benefits associated with comparing their performance with those of other like municipalities.

To this end, the Shire of Serpentine-Jarrahdale commissioned Australian Market Intelligence to undertake the first community satisfaction benchmarking survey presented to all local government authorities in the state. This report details the findings of that research.

RESEARCH OBJECTIVES

The research objectives for the study were to identify:

- community's perceptions of local government's services and their level of service expectation
- whether the community would be prepared to pay for an extra service or facility
- the perceived priority of service or facility provided by local government
- what the community would be prepared to forgo, if any, in currently provided services or facilities
- any activities the community believed should not be wholly funded by local government
- the most effective form of information dissemination by local government
- benchmarks in community satisfaction to determine how local government is operating in comparison to others within the same type classification
- information to assist in performance improvement in accordance with best practice models.

RESEARCH APPROACH

A two-stage approach was employed in the research.

The first stage involved secondary research to determine the issues facing local governments from the perspective of their communities. This stage encompassed

- review and analysis of previous published research from within Australia and overseas
- research (both qualitative and quantitative) undertaken by the consultants for Councils within Western Australia.

The result of this analysis provided a detailed and thorough understanding of the numerous issues facing local government.

The second-stage involved a quantitative survey undertaken with a sample of the community. A structured questionnaire was administered by telephone and respondents' answers collected. This report details the findings of the quantitative results obtained for the Shire of Serpentine-Jarrahdale.

Sampling and Data Collection

Based on the population of the Shire of Serpentine-Jarrahdale, a representative sample of 150 respondents was randomly selected from within the municipality and interviewed, using a structured questionnaire. To minimise potential bias, each household, whether rented or owner-occupied, had an equal chance of being contacted.

The sample was also stratified based on regions within the Council. The regions were; Serpentine, Mundijong, Byford, Jarrahdale and Rural. Each region comprised a sample of 30 randomly selected respondents.

The structured questionnaire used to collect the data was administered via the telephone from a central Perth location. Potential contact numbers were randomly generated using an electronic format of the 1999 White Pages telephone directory. The telephone numbers generated included only households within the Shire of Serpentine-Jarrahdale.

Interviewing was carried out using Computer Aided Telephone Interviewing (CATI). This process involves the developed questionnaire being programmed into a central computer to which all interviewers have access. For each interview one question at a time is shown on the computer screen. As each respondent answers the question, the interviewer enters the response and the computer then shows the next question to be asked.

The CATI technique

- eliminates interviewers incorrectly skipping questions,
- ensures all questions are answered correctly and
- ensures integrity of the data is maintained at all stages of the process.

Prior to the commencement of interviewing, telephone numbers are loaded into the computer. The CATI programme randomly selects telephone numbers and dials them on behalf of the interviewer. When a telephone is non-contactable, the system registers the number and moves onto another number. All numbers that are not contactable are redialled by the system at least three times at three-hourly intervals. If three unsuccessful attempts are made to contact a number, the computer will move to a new randomly selected number. The redialling of numbers three times is a standard sampling procedure to ensure that adequate opportunity is given for potential respondents to participate in the survey.

Data collection was carried out by professionally trained and experienced market research interviewers. A detailed brief was held with all interviewers assigned to the project to ensure they fully understood the purpose of the project. During the briefing, detailed explanations were given on each of the questions and the meaning of key terms relevant to the area of local government.

Data collection was carried out over a period of two weeks. All interviews took place between the hours of 6pm and 8pm during weekdays and from 10am to 4pm on Saturday and Sunday.

Validation of at least 10% of each interviewer's work was carried out successfully.

Questionnaire Design

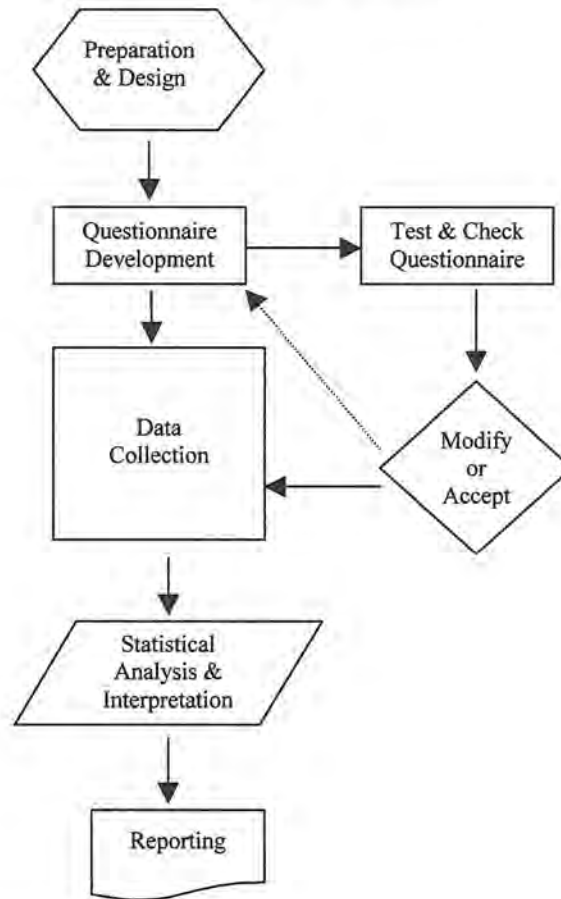
Australian Market Intelligence developed the survey questionnaire after a review of secondary research and in consultation with a number of Councils. A draft copy of the questionnaire was shown to four Councils participating in the project and feedback sought. In addition, the questionnaire was piloted on ten respondents to ensure it was clear, understandable and relevant. Using feedback from Councils and the pilot surveys, minor modifications were made to the questionnaire.

The questionnaire was designed to address the specified research objectives and a copy is appended to this report.

The Statistical Process

The flowchart illustrated in Figure 1 represents a summary of the process employed in undertaking the research.

Figure 1: Quantitative Research Process Flowchart



Benchmarking data was collated from eight rural municipalities participating in the current study and the study conducted in 1998.

Following data collection, the CATI data file was converted into SPSS (statistical software) and checked for structural accuracy and robustness. The data was analysed using a number of statistical techniques in order to satisfy the research objectives. These included descriptive and exploratory statistics, contingency tabulations, factor analysis, regression analysis and various tests of significance.

Contingency tabulations were computed to determine the relationships, if any, which exist between the demographic questions and questions relating to satisfaction, performance, preferences and services/facilities willing to forgo. Where appropriate, differences are highlighted in this report.

Factor analysis was employed on the various performance questions to

- examine any underlying relationships,
- compress related questions into discrete factors
- remove multicollinearity of the questions for regression analysis.

The major benefit of factor analysis as a data reduction technique is that the sensitivity of the individual question data is not lost in the formulation of the factors. The derived factors are representative of the relationships and the extent and direction of the relationships between each question in each factor.

Regression analysis was undertaken to determine the factors that significantly influence overall satisfaction with the Council. The model derived from regression analysis has two important outputs - the factors that influence satisfaction and the relative importance of those factors.

Sample Profile

The sample collected for the survey is shown in the table below.

Table 1: Sample Profile

	%
Gender	
Male	38.7
Female	61.3
Age	
18-24 yrs	1.3
25-34 yrs	16.7
35-44 yrs	24.7
45-54 yrs	21.3
55-64 yrs	22.0
65+ yrs	14.0
Household	
Under 35, no children	7.3
Family, with children	50.0
Over 35, no children	42.0
Refused	0.7
Home Ownership	
Owner/occupier	86.0
Renting	14.0
Region	
Serpentine	20.0
Mundijong	20.0
Byford	20.0
Jarrahdale	20.0
Rural	20.0

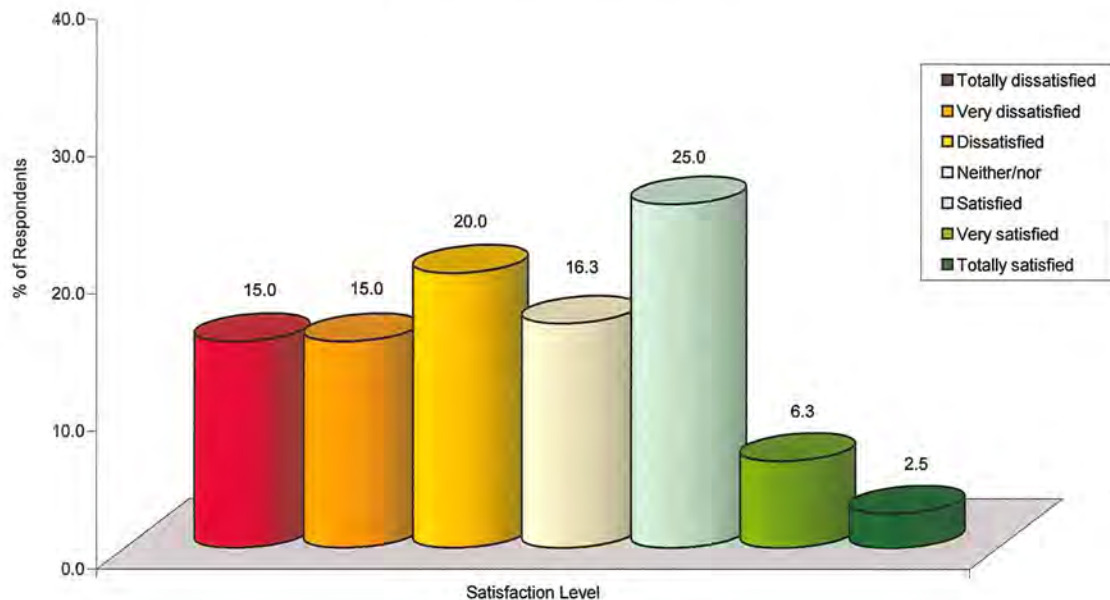
OVERALL SATISFACTION

A third (33.8%) of all respondents were satisfied with the services and facilities provided by Council. Only 2.5% of respondents indicated that they were totally satisfied, whereas six times as many (15.0%) said they were totally dissatisfied. Around a sixth (16.3%) of respondents expressed a neutral opinion in terms of overall satisfaction.

Based on demographics and region, satisfaction with the Council was similar across the community.

Figure 2 gives a breakdown of the overall satisfaction levels of respondents.

Figure 2: Overall Satisfaction



PERFORMANCE

This section of the report details the community's perceptions on how the Council performs in regard to various services and facilities.

Factor Analysis

A factor analysis was run across the twenty-two service/facilities variables that were used to measure the Council's performance against the respondents' expectations. The result of this analysis was the formulation of five discrete factors out of the original twenty-two variables.

The table below (Table 2) sets out each of the five factors and their associated variables.

Table 2: Factor Composition

Factor	Title	Variables
Factor 1	Built Environment	a) Road construction b) Road maintenance c) Traffic management l) Balancing development m) Controlling zoning x) Consultation
Factor 2	Health & Community Services	r) Libraries & information s) Pest control t) Health services u) Youth issues v) Aged & disabled care w) Art, culture & heritage
Factor 3	Environmental Balance	h) Townscapes j) Economic development k) Natural environment o) Recycling p) Rubbish collection q) Parks, halls, playgrounds
Factor 4	Pedestrian Traffic	d) Footpaths e) Laneways & public access
Factor 5	Safety & Security	f) Anti-social behaviour g) Safe & secure environment

These factors were used in determining the drivers for overall satisfaction, relative importance and benchmarking.

Regression Analysis

Regression analysis was undertaken to determine which factors, if any, influenced overall community satisfaction. The benefit of this type of analysis is that it allows Councils to direct scarce resources into areas that have the most impact on satisfaction levels.

Of the five factors (see Table 2), “Built Environment” and “Health and Community Services” exhibited a statistically significant influence on overall community satisfaction. That is to say, improvements in the areas covered in “built environment” and “health and community services” would increase the community’s level of satisfaction with the Council. Furthermore, the resultant combined increase in satisfaction would be slightly greater than the increase in perceived performance in a ratio of 1.02:1.

While the other three factors had varying degrees of importance for the community, they did not have a significant impact on overall satisfaction levels.

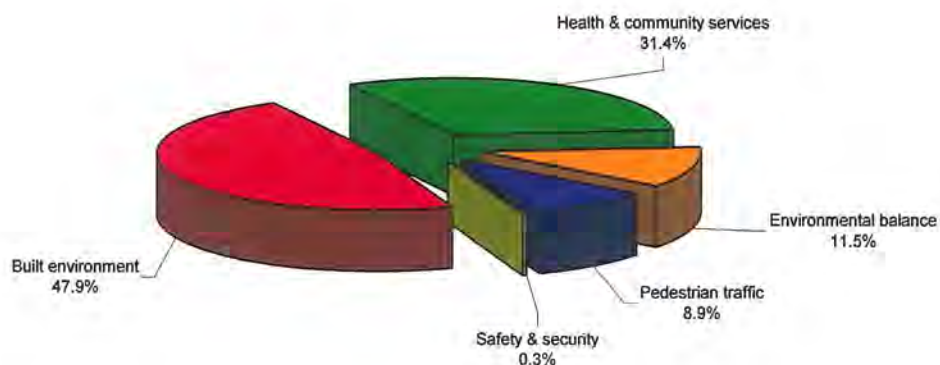
Relative Importance

The community perceives the “Built Environment” (47.9%) and “Health and Community Services” (31.4%) as being of overriding importance in relation to the other three factors. The relative importance of any factor has a bearing on overall satisfaction. The more important a factor is, the more likely it is to impact on satisfaction levels and the less tolerant people are of lower levels of performance.

When evaluating their satisfaction with a service/facility, the community will take the relative importance of a factor into consideration. Any action by Council to address the community’s perceived levels of expectations and satisfaction must be considered in conjunction with the relative importance of each of the five factors.

Figure 3 shows the relative importance of each of the five factors.

Figure 3: Importance of Each Factor In Determining Overall Satisfaction



Performance on Individual Services/Facilities

Figure 4 (over page) is the graph of how the community perceives the Council is performing against its expectations, on each of the twenty-two different services/facilities measured in the research. They have been placed in descending order, based on relative importance of the five factors.

Within each factor segment, the variables are ranked in descending order according to the proportion of respondents who consider the Council to be performing extremely poorly. The areas of most importance, where the Council is perceived to be performing most poorly, are listed from the top down.

Where Council is deficient in meeting expectations, there will be a negative performance gap, which is represented on the graph by the length of the bar to the left of the zero point. The length of the bar on the right hand side of the zero point shows the proportion of the community that believes Council is meeting or exceeding its expectations.

Based on importance and perceived performance, the service delivery gap is greater on :

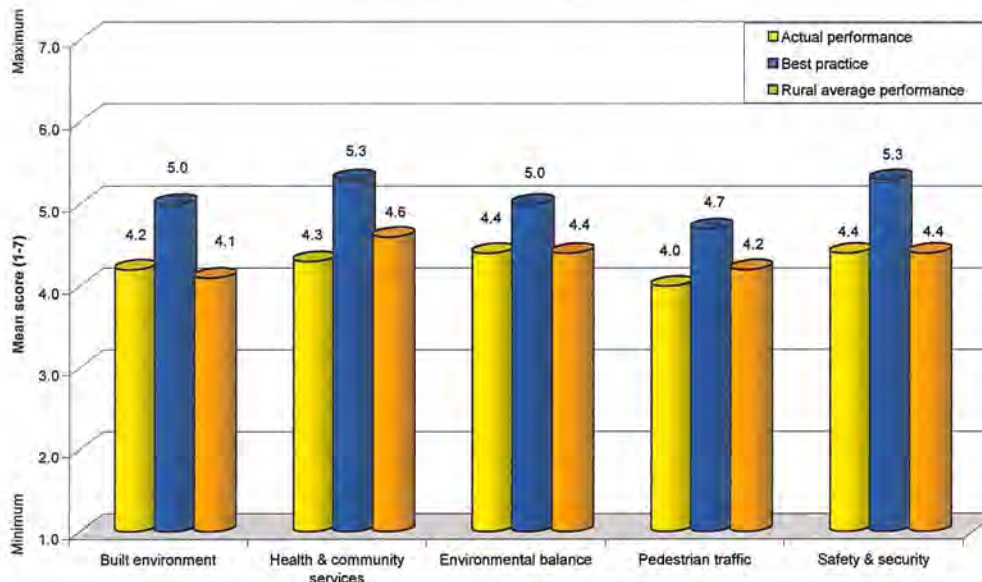
- ➔ road construction
- ➔ road maintenance
- ➔ community consultation
- ➔ youth issues
- ➔ subdivisions

Although recycling has a large service delivery gap, its relative lack of importance indicates it need not be a high priority issue for the Council.

Performance Benchmarks

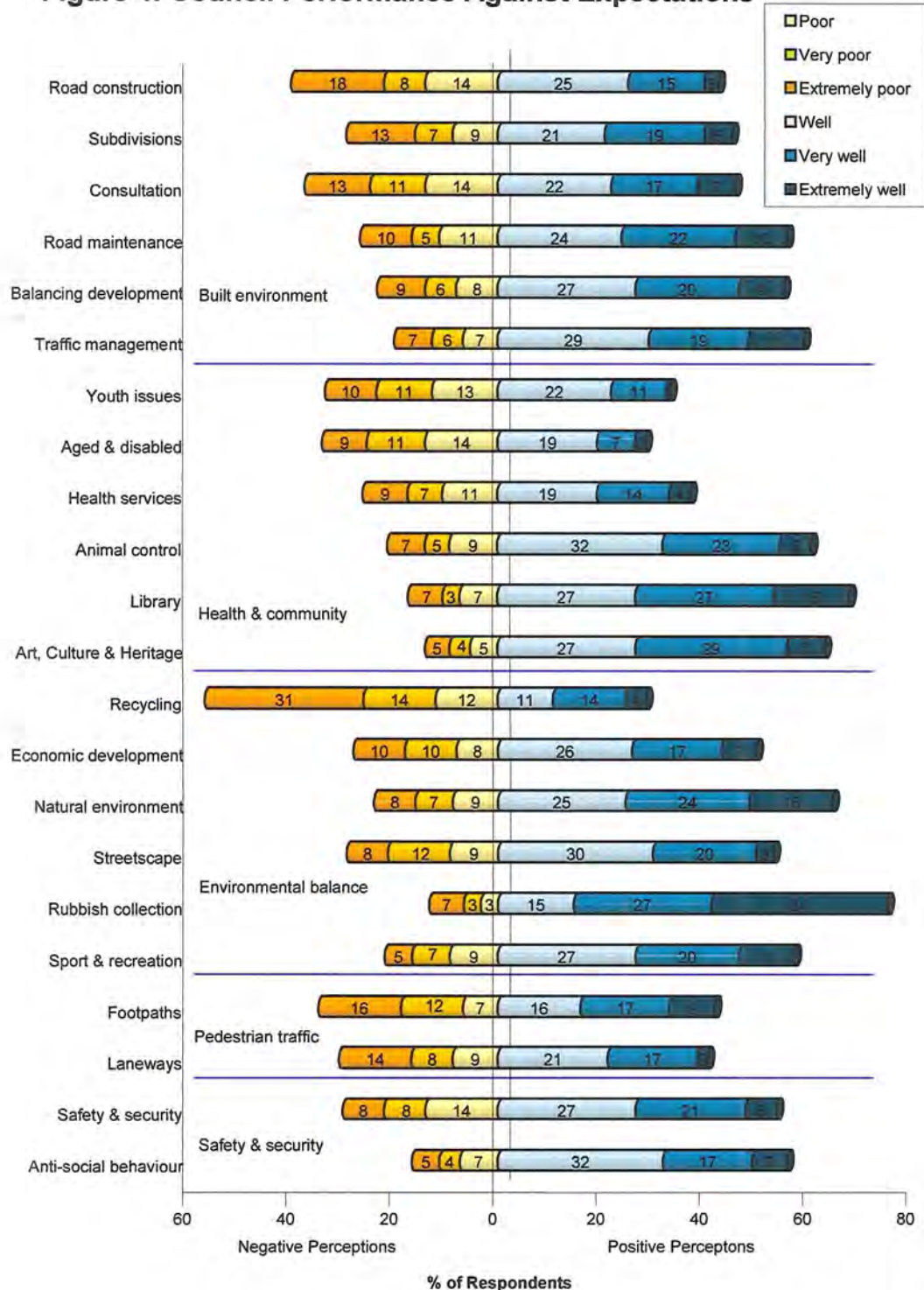
The Shire of Serpentine-Jarrahdale has been compared to both a rural average and a "best practice" model based on all rural municipalities participating in this research. As shown in Figure 5, the Council falls short of best practice on each of the five performance factors. It is, however, closely aligned to four of the five calculated rural averages.

Figure 5: Performance Benchmarks



The research revealed that Byford residents (43.3%) were significantly more likely to exhibit neutral levels of satisfaction with regard to vandalism, graffiti and antisocial behaviour, compared to other regions which were more likely to be satisfied. In addition, Byford respondents (16.7%) were substantially more likely to feel the Council to be performing extremely poorly in the area of library services, than were other regions. Residents from Byford (66.7%) were also significantly more likely to rate Council as performing extremely well in the area of collecting rubbish, compared to the other regions.

Figure 4: Council Performance Against Expectations



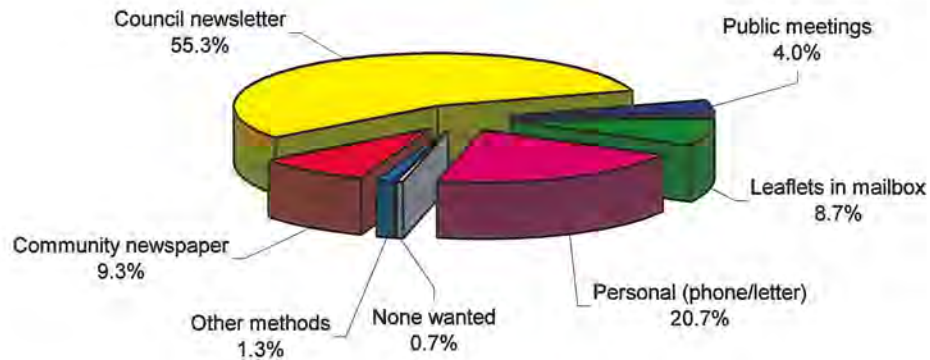
PREFERRED COMMUNICATION METHOD

The communication method determined by respondents to be most effective was via a Council newsletter (55.3%), followed by personal contact (20.7%). The fact that a fifth of respondents indicated a preference for personal communication from the Council, coupled with the service delivery gap experienced in community consultation, may indicate a need for Council to personally communicate with residents on issues that have a direct impact on them.

Figure 6 shows the breakdown of responses to the most effective form of communication by Council.

While the method of communication was found to be similar across each of the regions, the research found females (60.9%) to be significantly more likely to mention a Council newsletter as their preferred method of communication, than were males (46.6%)..

Figure 6: Preferred Method Of Communication

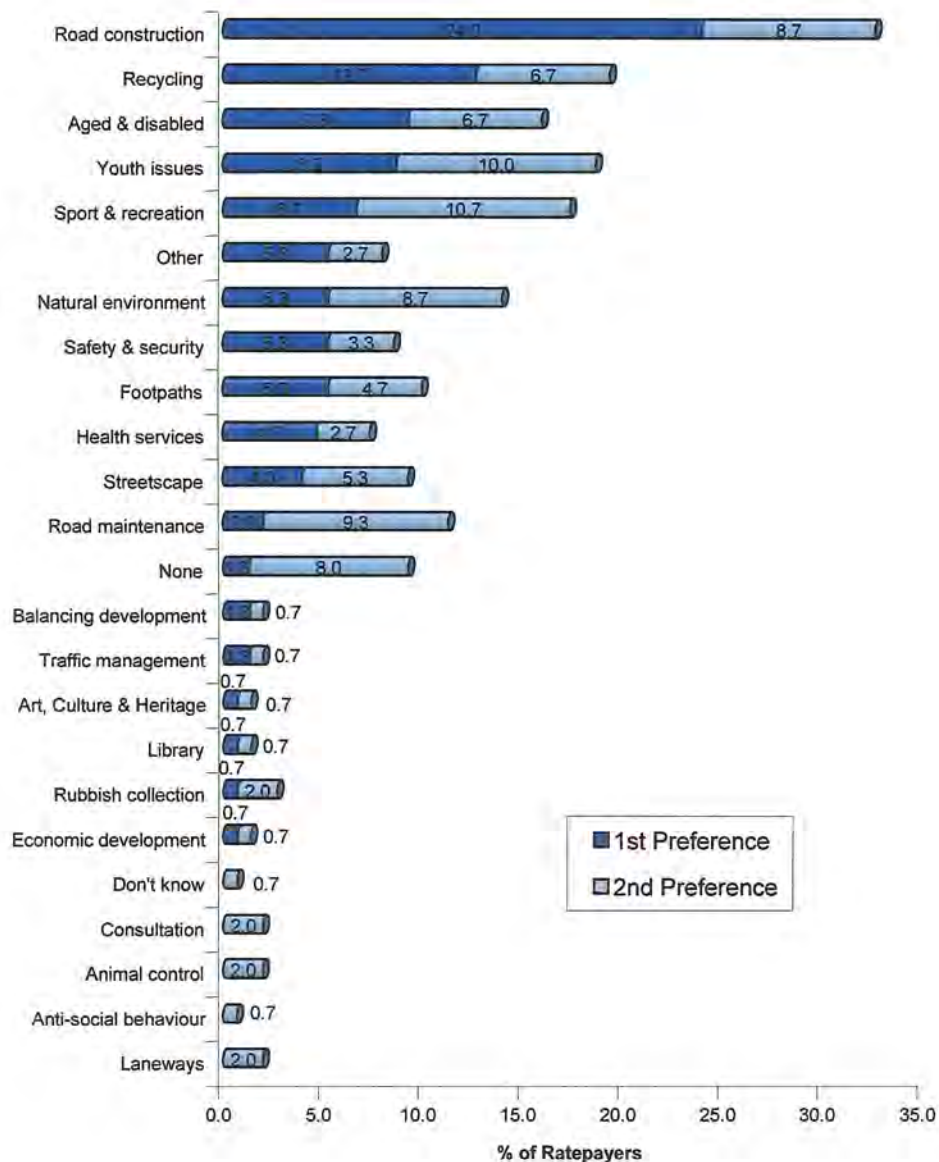


RATE RISE ALLOCATION

The largest proportion of ratepayers preferred any rate rise to be directed towards road construction. Road construction attracted 24.0% of first preferences and 8.7% of second preferences. Recycling and aged & disabled care, were also areas that the community felt any additional revenue from a rate rise should be directed towards. These results were relatively consistent across all demographic categories and regions, indicating fairly wide community support.

Figure 7 shows the distribution of preferences for a hypothetical 5% rate rise.

Figure 7: Preferential Allocation of a Rate Rise

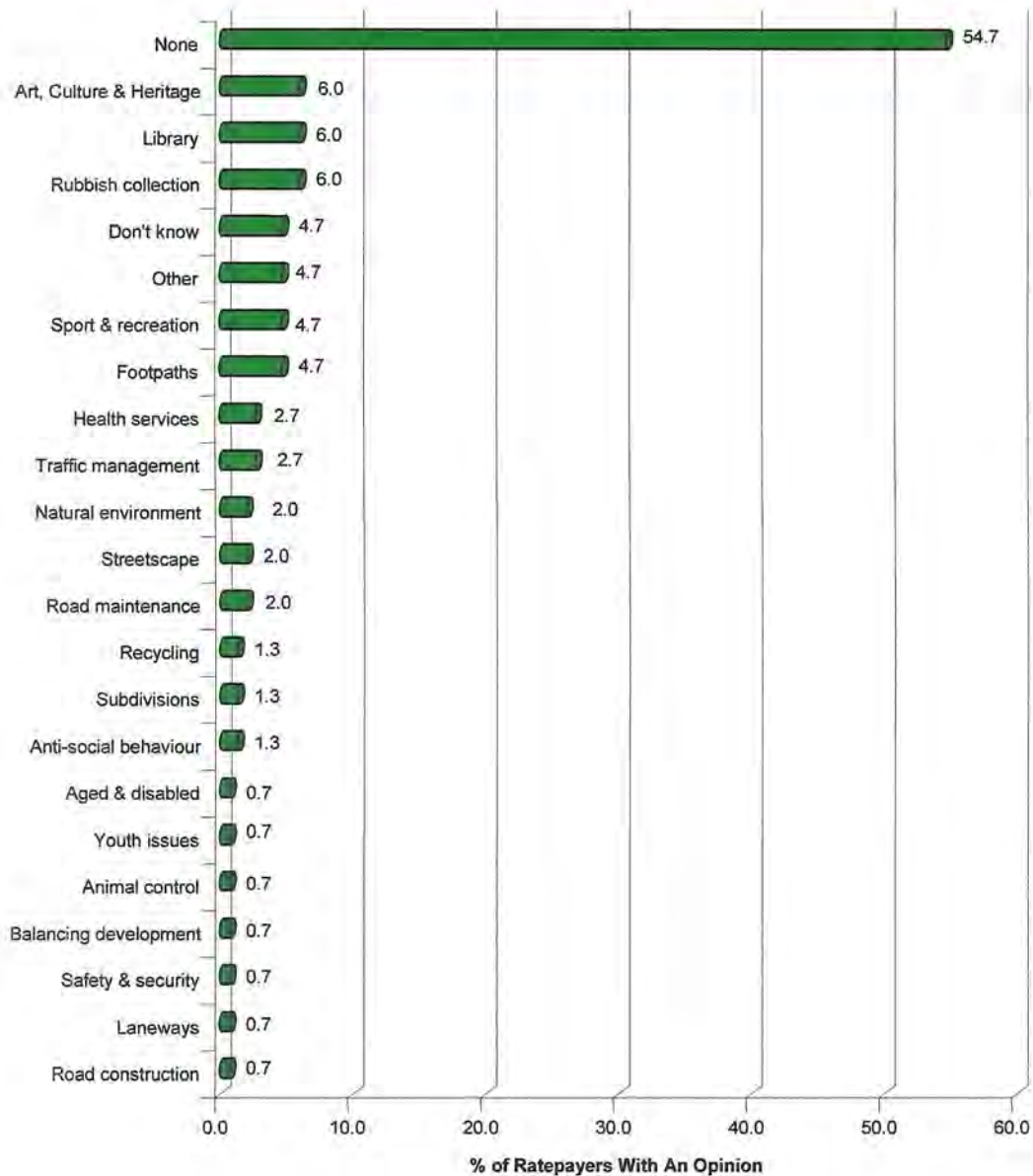


LOSS OF SERVICES/FACILITIES WITH NO RATE RISE

Over half (54.7%) of respondents did not want any loss of service/facilities, indicating that they expect Council to maintain the current level of service/facilities. The willingness to forgo services/facilities was widely distributed with 6.0% of ratepayers choosing to forgo art, culture and heritage in exchange for their first preference. The remaining ratepayers gave a variety of responses. The findings were similar across respondent demographics and region.

Figure 8 illustrates the distribution of opinion among ratepayers on the loss of services /facilities.

Figure 8: Preferential Loss of Services/Facilities With No Rate Rise



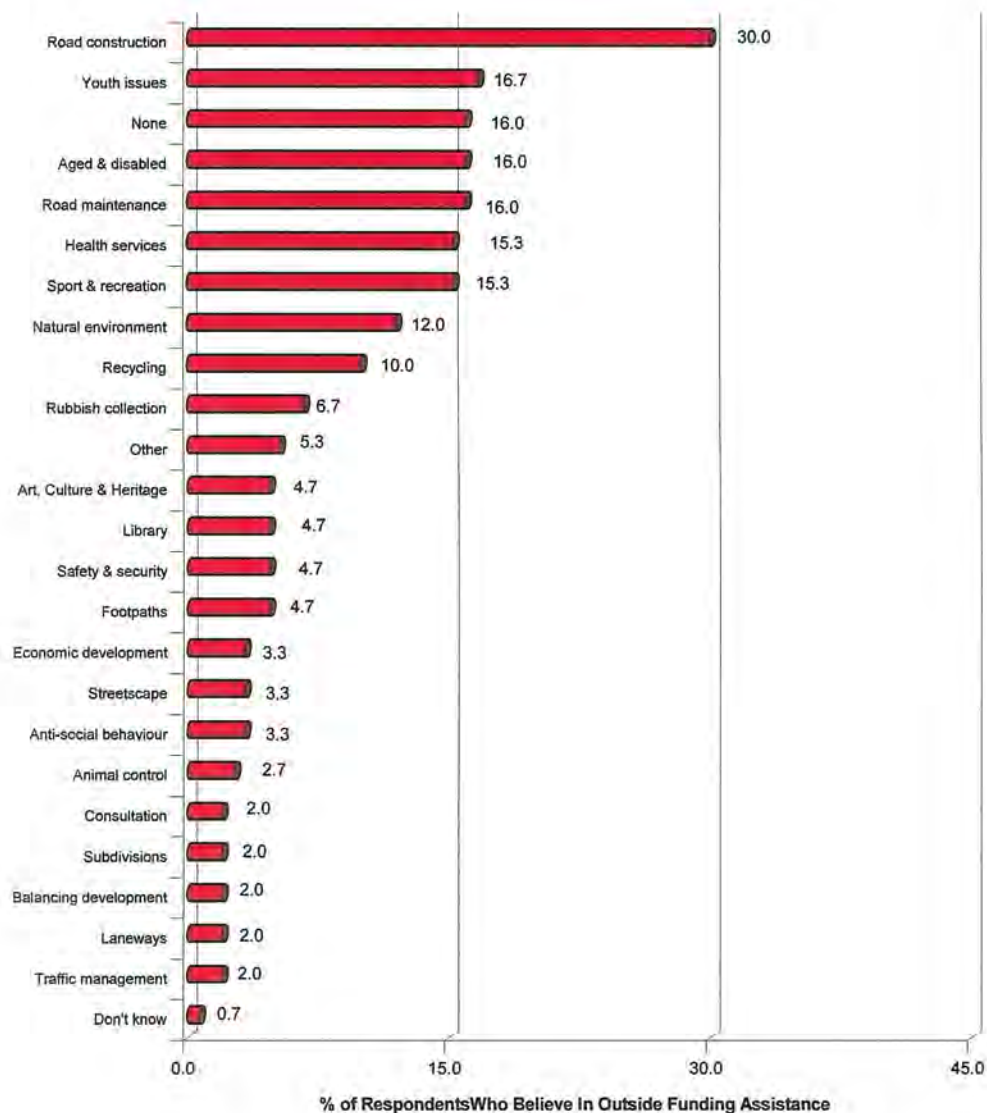
EXTERNAL FUNDING OF COUNCIL SERVICES/FACILITIES

The majority of respondents (83.3%) expressed an opinion on what service/facilities currently provided should not be wholly funded by Council. Around a sixth (16.0%) of respondents believed Council should not receive external funding. The responses of those who felt Council should receive external funding were spread over a wide range of activities, with the largest proportion (30.0%) opting for road construction.

Rural and Mudijong residents were significantly more likely to believe road construction should receive outside assistance, compared to residents from Serpentine (26.7%), Jarrahdale (16.7%) or Byford (3.3%). Byford residents (50.0%) were most likely to state that Council should not receive assistance.

Figure 9 shows the choices made by respondents who believed outside funding assistance was appropriate.

Figure 9: Activities That Should Be Supported By Outside Funding



CONCLUSION AND RECOMMENDATIONS

Only a third (33.8%) of all respondents were satisfied with the services and facilities currently provided by the Shire of Serpentine-Jarrahdale. The research revealed that the “built environment” and “health and community services” are the factors that exhibit a significant influence on overall satisfaction. These factors are made up of:

Built Environment

- road construction
- road maintenance
- balancing development
- consultation
- traffic management
- controlling zoning/subdivisions

Health & Community Services

- libraries and information
- pest control
- health services
- youth issues
- aged and disabled care
- art, culture and heritage

In order to improve the community’s perceived level of satisfaction, Council should focus its efforts on improving its performance specifically in the areas of road construction, community consultation, subdivisions, road maintenance and youth issues.

While the community perceives the Council to be under-performing in other areas (specifically recycling, footpaths and laneways), the importance of these in the eyes of the community falls well below the importance of either the “built environment” or “health and community services”. It is considered that any improvement in these secondary factors will not significantly effect the community’s overall satisfaction with Council.

In benchmarking the Shire of Serpentine-Jarrahdale against aggregated results from all rural municipalities participating in this and the 1998 survey, the Council compares well in four performance factors. It does, however, fall short of best practice all of the five performance areas. This is most notable in the area of “health and community services”, it being 18.8% lower than the best practice level. This reinforces our recommendation for the Shire of Serpentine-Jarrahdale to prioritise its efforts in this area.

The research has shown that the community would accept a hypothetical rate rise of 5% and, should Council wish to consider this, it is recommended that the additional funds be directed towards road construction. This activity was also seen to be worthy of external funding assistance by 30.0% of those surveyed. Not surprisingly, a large proportion of the community (54.7%) would not tolerate a reduction in services or facilities to achieve improvements. With this in mind, increased spending would need to come from outside funding sources with some contribution being made by the community.

Bearing in mind the community’s dissatisfaction with the level of community consultation, it would be advantageous for the Council to more regularly and effectively utilise a Council newsletter, with some personal communication with residents on issues that directly impact on them.