CENTRALIZED CUSTOMER SERVICE: WHAT LOCAL GOVERNMENT CHARACTERISTICS INFLUENCE ITS ACCEPTANCE AND USAGE OF INFORMATION?

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ABSTRACT

Despite their occurrence in local governments, customer service centers have seldom been mentioned in public administration literature. As a result, this article identified a model of contributing factors based on earlier research, and it tested it on cities and municipalities in the U.S. After examining local demographic factors, cities and areas with large populations, forms of government, and location, the findings indicate that several variables are important predictors. First, cities and municipalities with higher revenue capacity are more likely to have centralized customer service centers. Second, cities are more likely to have adopted this system when compared to non-cities. Third, highly populated cities and counties are more likely to have this system. Last, southern localities are more likely to adopt centralized customer service centers as well as those with high percentages of minorities. However, local government forms did not predict the adoption of centralized customer service centers.

INTRODUCTION

The concept of customer service is nothing new, and private organizations have long realized its importance in being able to survive in a competitive marketplace. In contrast, government does not face the same challenges because it is usually the sole provider of a service, leaving unhappy customers with no other options (Moe 1994). Because of this, public organizations did not place a heavy emphasis on customer service until local governments
began using private sector concepts to reform the bureaucracy in the 1980s (Hendrick 2000). These local government efforts, which led reformers like Osborne and Gaebler (1992) to document their successes, served as a guide for President Clinton and Vice President Al Gore to establish a series of reforms in the federal government by focusing, in part, on improving customer service (Carvey 1997; Milakovich and Gordon 2006).

Although many methods have been used to increase customer satisfaction in each level of government, one method over the past 12 years has been gaining popularity at the local level. This approach, which is referred to as a centralized customer service center, includes installing a phone number whereby citizens can call to voice nonemergency issues and concerns. Despite this occurrence, researchers know very little about centralized customer service centers with most, if not all, research encompassing case studies at the local (Eggers, 2006; Holmes, 2007; Kavanagh, 2007; Patton, 2007; Solomon & Uchida, 2003) and federal levels (Brudney & Wright, 2002; Fox, 1996; Kamensky, 1996; Thompson & Fulla, 2001; Thompson & Sanders, 1997). Therefore, the goal of the paper is to further the understanding of factors that contribute to the adoption of centralized customer service centers. Because “311” is the norm for centralized customer service centers, these systems are examined in the article.

To achieve this goal, the article is organized as follows. First, this article provides a history of centralized customer service centers in the U.S. Second, the motivation of the study, civic engagement and citizen ownership, is discussed. Third, a model is developed based upon previous research. Fourth, the model is tested on cities and municipalities in the U.S. Next, the results of the model are discussed, followed by the conclusion.
THE HISTORY AND USAGE OF CENTRALIZED CUSTOMER SERVICE CENTERS

The International City/County Management Association (hereafter ICMA) defines a centralized customer service center “as a non-emergency customer service program that centralizes contacts from the public into one system (Moulder 2007).” Local governments began implementing this system in the mid 1990s when it was adopted and modified from a tool used by many private sector organizations called customer relationship management (CRM), which is designed to equip organizations, both private and public, with the ability to communicate with customers so that their needs are met (Eichenthal, 2008).

In the public sector, centralized customer service systems are commonly identified as “311,” a phone number that local residents can dial whenever they want to voice their opinions. However, other methods are used as well. For instance, some local governments use another recognizable phone number instead of 311, while others utilize such methods as a Web-based system, an email address, and even a post card (Moulder, 2007).

Once local governments adopt a centralized system, they then advertise its availability to citizens. Thus, this communication tool becomes a way for citizens to enter into a centralized system so that concerns can be expressed. In addition to receiving concerns from residents, customer service centers forward this information to the appropriate officials. And, customer service centers have the task of notifying residents once their concerns are received and subsequently addressed by officials. What differs from one locality to the next, however, is how residents are notified. For instance, one locality may contact the concerned individual by phone, while another by email. Moreover, some localities use this information to make decisions
regarding resource allocation, performance management, and even employee performance appraisals. In any event, citizen responses acquired from centralized customer service centers provide local governments with an array of information (Moulder, 2007).

From a historical perspective, centralized customer service systems were first used by local governments to help them be more effective and efficient. This occurred when supporters of community policing sought a way to eliminate excessive non-emergency calls that were made to 911 systems. To accomplish this, Baltimore in 1996 adopted technology similar to that used by this emergency system, allowing residents to dial a single number and gain access into a clearinghouse that collected and distributed their non-emergency concerns. Shortly after implementation, the centralized customer service center led to a reduction in time it took 911 dispatchers to answer calls. Moreover, officials credited the system with decreasing the number of dispatched patrol cars (Halperin, 1998).

Because centralized customer service centers were deemed successful in Baltimore, this method of handling non-emergency calls was adopted by Chicago in 1999 and was used as a way to address other issues and concerns besides policing. That same year Baltimore expanded their centralized customer center and began using it to engage citizens in measuring program outputs (Eichenthal, 2008). The end result of this initiative was regularly scheduled meetings whereby agency heads were held accountable for addressing and eliminating citizen concerns.

In 2002, New York City decided to consolidate its fragmented customer service system. One of the city’s objectives was to expand the system beyond just storing and addressing complaints. Upon completion, New York City broadened the system’s intent by using it to provide basic information to residents (Compton, 2004). Thus,
departments and agencies were spared from answering routine calls regarding information.

One shortcoming to 311 systems like New York, however, was that they did not operate 24 hours a day. In an effort to increase the hours of operation as well as to keep up with technology, Minneapolis instituted an online version of the system. In this system residents must register to obtain an account so that they can check the status of their request. Other cities, like Denver, Redwood Shores, and Chattanooga, have some version of a Web-based system—meaning they operate both a phone and Internet system simultaneously (Gentile, 2008).

In sum, centralized customer service centers have evolved ever since they were modified from CRM in the mid 1990s. What first began as an attempt to reroute emergency calls has morphed into a system that seeks to achieve civic engagement and citizen ownership at the local level.

MOTIVATION FOR THE STUDY

The motivation for this study is rooted in two distinct but interrelated concepts: civic engagement and citizen-ownership. First, local governments concentrate more of their time and resources on the direct delivery of services when compared to governments at the state and federal level. Therefore, local governments work on the front lines delivering needed and desired services, such as education, road maintenance, public safety, and health care, to citizens (Kettl and Fesler 2008). Because of this, localities have adopted a culture of civic engagement where “citizens participate in public affairs and promote the public good” (Rice and Sumberg 1997). Although there are many ways to engage citizens, centralized customer service centers are one form because citizens participate when they
call and they promote the public good when they voice their concerns and preferences.

From a citizen’s perspective, however, civic involvement in decision making is one of ownership. During the era of reinventing government when centralized customer service centers were first adopted, local governments placed a heavy emphasis on the private sector model—customer service. When implementing this model, local governments were increasingly being pressured to focus on improving the satisfaction of “customers—those who benefit from its goods and services” (Kettl & Fesler, 2008, p. 537). The end result was that local governments became more responsive to citizens, thus treating them as clients (Vigoda, 2002). Hence the relationship between citizens and government progressed towards one of a citizen-ownership relationship.

With that backdrop, centralized customer service centers can be used by local governments as a means to engage citizens. These same systems can also be instrumental in equipping citizens with the ability to access government so that they can exercise their right of ownership. The next section will explain those local factors that relate to the adoption of centralized customer service centers.

**LOCAL FACTORS INFLUENCING ADOPTION AND HYPOTHESES**

Before a program is implemented, it must first reach the agenda setting stage. According to John Kingdon (1995), distinct streams of problems, policy, and politics come together to create a policy window that opens for a short period of time. It is in this window that the opportunity exists for policies to be considered and possibly adopted. But, in the case of new and seldom studied programs like centralized customer service centers
where problems, politics, and policies are not readily known, as decisions are made within thousands of local governments, local characteristics and factors can help explain its enactment. For instance, studies examining centralized customer service centers are largely anecdotal, with the main focus being placed on the success or failure of implemented systems (Eggers, 2006; Holmes, 2007; Kavanagh, 2007; Patton, 2007; Solomon & Uchida, 2003). Therefore, the emphasis is on execution, and little is known regarding which factors contribute to the systems enactment by legislative bodies. This section explores some of the relevant local factors that comprise problems, politics, and policies that may lead to the adoption of a centralized customer service center.

**Revenue Capacity**

Some imply that an adoption of a centralized customer service center is influenced negatively or positively by the systems cost (Perlman, 2007; New York City Independent Budget Office, 2008). For instance, Perlman reports that centralized customer service centers can increase costs and, furthermore, can typically take 18 months to implement. Moreover, a report by the New York City Independent Budget Office detailed that cost increased more than three-fold since the city implemented the system. On top of that, local governments have to devote additional time and resources until the program is fully implemented. This includes dedicating key personnel to the planning and implementation of the project, hiring and training personnel to operate the system, marketing the system, and operating dry runs to make sure the system is fully operable.

After implementation, however, local governments could possibly realize cost savings if they consolidate redundant dispatch centers. But, these savings will not occur immediately because of the upfront costs and time needed to consolidate the systems. As a result, it is
reasonable to assume that a locality’s fiscal health will be an important predictor of whether or not the locality will purchase and implement the system.

When examining localities’ fiscal health, researchers have focused on expenditures and revenue (Jones and Walker 2007; Pammer 1990; and Rubin 1992). Jones and Walker (2007) found the most important predictor of fiscal health or distress to be on the revenue side. Specifically, revenue generating capacity was more correlated with fiscal distress than other factors in their model; that is, a locality’s fiscal health declines as revenue declines. Moreover, declining revenue also affects spending patterns (Rubin 2006).

Because revenue levels, and ultimately spending patterns, are affected by socioeconomic status, two proxies are used to measure local socioeconomic status: education and per capita income. For example, revenue levels are affected by the socioeconomic status of residents (Pammer 1990; Rubin 1992; Osborne and Hutchinson 2004), and rising personal income results in additional and better services (Osborne and Hutchinson 2004). Therefore, it would be reasonable to assume that areas with high incomes would also be more likely to implement costly programs, like centralized customer service centers, than less affluent ones. Moreover, both of these measures are used by local governments to determine revenue generating capacity.

**Hypothesis 1: Localities with higher revenue capacity will be more likely to adopt centralized customer service centers.**

*Cities and Localities with Large Populations*

Next, there is anecdotal evidence that cities are more likely to consider and implement centralized customer service centers when compared to counties (National Center for Public Performance, 2007). One of
the reasons for this occurrence is that cities, compared to other forms of localities, have been undergoing major reforms since the 1800s (Benton, 2002); that is, cities are more likely to undertake innovative reforms like centralized customer service centers. For that reason, researchers have mainly studied these systems in cities, including major metropolitan areas like New York, Chicago, and Baltimore (Eggers, 2006; Kavanagh, 2007; Patton, 2007; Perlman, 2007).

There are also some issues unique to cities that may serve as an impetus to adopt these systems (National Center for Public Performance, 2007). When compared to counties and other types of localities, for instance, disparities exist with infrastructure (deteriorating roads, bridges, water and sewer systems, and so forth), academic achievement of elementary and secondary education students, services, and population growth (O’Toole, 2007; Stephens & Wikstrom, 2007; and Walker, 2000). As a result, surveys demonstrate that citizens in large metropolitan areas have become frustrated with the operation of services, leading to a demand for centralized customer service centers that allow them to voice their concerns (National Center for Public Performance, 2007). Additionally, because these systems allow information to be collected from citizens and results to be disseminated to the appropriate agencies, centralized customer service centers assist cities in making better resource allocation decisions by enabling them to identify some of the deficiencies before they become acute (Eggers, 2006). Therefore, these systems may be valuable to cities because it allows them to engage citizens so that they can be more proactive when solving problems.

**Hypothesis 2:** Cities will be more likely to adopt centralized customer service centers.

**Hypothesis 3:** Localities with large populations will be more likely to adopt customer service centers.
Forms of Government

There are two major forms of local governments that are based upon counties and municipalities allocation of authority. The first is the council-manager where “power is concentrated in the elected council, which hires a professional administrator to implement policies. This appointee serves at the pleasure of the council and has responsibility for preparing the budget, directing day-to-day operations, hiring and firing personnel, and serving as the council’s chief policy advisor” (ICMA 2007). In essence, administrative authority is centralized in the hands of the professional administrator who is subject to constant council control (Svara 2008). Thus, in this form of government there is a separation of policymaking from daily administration (Sommers 1958).

The second form of government is the elected chief executive-council. In this form of government, the chief executive and the council each have divided powers and checks and balances. Therefore, policy and administration are not separate, resulting in shared governance, and the elected chief executive has considerable resource allocation authority and is seen as the leader of the local government (Svara 1987). As a result, there is often conflict regarding administrative and policy issues that occur between elected chief executives and the council. In general, however, elected chief executives have expanded their authority in these localities (Svara 2008).

Despite the conflict, it is suggested that under the chief executive-council government, “officials who seek reelection might maximize political support by symbolically advocating the adoption of new development instruments that provide short-term political benefits” (Feiock and Kim 2001, p. 33). This suggests that elected chief executives may be more willing to adopt politically expedient programs, such as centralized customer service
centers, that may help demonstrate administrative effectiveness. On the other hand, Feiock and Kim (2001) suggest that professional managers may not want to take on costly programs because they may harm the localities fiscal condition: a result that may damage their standing with the council. Thus, new programs may be shunned to achieve administrative efficiency.

Under an elected chief executive-council form of government, chief executives are either mayors or elected county executives in mayor-council and county executive council governments. Moreover, council-manager forms of government occur at the city and county level as well.

**H4: Centralized customer centers will be more prevalent in elected chief executive-council forms of government when compared to council-manager forms.**

**METHODOLOGY AND MEASURES**

Several municipality and county factors, including demographic factors, government forms, population, location in a metropolitan statistical area (MSA), and city/county status, were used to predict whether or not a locality has a centralized customer service center. Following is a detailed explanation of each factor and how it is measured in the dataset.

**Dependent Variable**

*Centralized Customer Service Centers.* In 2007, ICMA mailed out surveys to 2,287 administrators of municipalities and counties with populations over 25,000. Because of this threshold, these localities are not representative of the entire population. Demonstrated later, however, key aggregated Census figures are similar to ICMA survey data. Furthermore, these surveys were sent out to ICMA members as well as non-members. Of the
surveys that were mailed, 31 percent or 710 were completed by localities.

The primary goal of ICMA’s survey was to find out which localities utilize a centralized customer service system and which do not. Specifically, localities were asked, “Does your local government use a centralized customer service system?” After answering this question, localities that had the system were directed to a different set of questions than those that did not implement the system. Therefore, the dependent variable for this hypothesis is whether or not a locality has a centralized customer service system (Yes/No). Because the question required a yes/no response, a binary logistic statistical technique was employed. This technique measures the impact of several factors on a dichotomous dependent variable (Norusis, 2005). Localities that had a centralized customer service center were coded 1 and those that did not were coded 0.

Independent Variables
Local Demographic Factors. The dataset included three local demographic factors, two of which are proxies for revenue capacity. Each of these factors was obtained from 2007 Census estimates data. The first revenue capacity factor is Per Capita Income (PCI). Because PCI encompasses large continuous numbers, cases were divided and ranked into seven equal increments using a statistical rank procedure. This was done because large continuous numbers reduce the coefficient to zero, making comparisons difficult. Thus, the localities with the lowest PCI were coded 1 while those with the highest were coded with a 7.

The other revenue capacity variable is education. The percentage of citizens in a locality that were 25 and older with a college degree was used as a proxy for education. This data was also divided into 7 even increments using a rank feature, with 1 representing those
localities with the fewest percentage of college graduates and 7 the highest percentage. While both socioeconomic measures are imperfect, per capita income and education are measures of socioeconomic status and a localities’ ability to receive taxes.\

When the coding was complete, these variables were checked for multicollinearity. Pearson’s Correlation revealed that these variables were highly multicollinear (.77; P = .00); meaning the variables were similar. To alleviate the presence of multicollinearity, these socioeconomic variables were combined and multiplied by one another, thus creating an interaction variable. Therefore, this interaction variable was used instead of education and PCI in the dataset.

The last local demographic factor is the percentage of Caucasians in cities or municipalities. This information was divided into 7 even increments as well. This factor is included as a control variable, and the extent to which it impacts the presence of centralized customer service centers is unknown.

Local Government Forms. The ICMA dataset contained information regarding each locality’s form of government. Several forms of government were provided for cities (mayor-council, council-manager, commission, town meeting, and representative town meeting) and counties (commission, council-manager, and council-elected executive). In this article, elected chief executive-council was assumed to be mayor-council and council-elected executive for cities and counties respectively. Svara (2008) identified these two types as elected chief executive-council forms because their functions are similar. Furthermore, he also categorized city and county council-manager forms together as well. As a result, the cities and counties with elected chief executive-councils were coded as 1 and those with council managers were coded as 0. The
other forms of government were not represented in the dataset.

Population. The total number of residents in each locality was derived from 2007 Census data. As with PCI and education, population was divided into seven equal increments and coded from 1 to 7.

Location in an MSA. Two control variables representing the location of cities and counties were included in the analysis. The first are categorical variables representing the various regions of the U.S. In the dataset, the U.S. was divided into four regions: North East, North Central, South, and West. The goal was to see which geographic regions are more likely to utilize this system. (These regions are further explained in the Appendix.) Next is the location of cities and municipalities in metropolitan regions. Localities can either be cities (the primary city in an MSA), suburban areas, or independent areas (not located in an MSA). It must be noted that MSA statuses of localities and the city/county variables are different. This is evidenced by the fact that they are not correlated. The extent to which these location variables influence an adoption of centralized customer service centers is not known.

City. City was measured using 2007 Census data. Because a locality can either be a city or a non-city, dichotomous variables were used. A city was coded as a 1 and a non-city as a 0.

In Table 1, descriptive statistics for the independent and dependent variables are detailed. When asked, “Does your local government have a centralized customer service center?” 104 (14.8 percent) localities did and 597 (85.2 percent) did not. This is a shortcoming because the
analysis is complicated by the fact that a few localities (104) could influence the results. Another shortcoming is that many municipalities and counties that did not have a centralized customer service center mentioned that they did have a system whereby citizens could voice their issues. For example, several responded that they had a decentralized system and many reported that they were pleased with its results.

About 32 percent of municipalities and counties had an elected chief executive-council form of government. The average population of localities’ surveyed was 111,925, and most governments were located in suburban areas of an MSA (41.4 percent), followed by cities (34.8 percent), and rural areas (23.8 percent). Most localities were designated as cities (55.3), and the majority of municipalities and counties were in the South (34.4 percent), followed by the West (30.5 percent), North Central (23.4 percent), and Northeast (11.7 percent). Furthermore, residents’ average per capita incomes were just over $26,000, 74.4 percent of residents were Caucasian, and 27.8 percent of citizens 25 and older had a bachelor’s degree. To examine how well this sample represents U.S. as a whole, data are juxtaposed with Census figures. In the survey, 27.8 percent of responding municipalities’ residents 25 and older had a college degree compared to 27 percent from the US Census Bureau. Moreover, ICMA surveyed municipalities per capita income and percent Caucasian were very similar to that of the US Census Bureau ($26,322 and 74.4 versus $26,178 and 74.1 respectively).
Table 1
Descriptive Characteristics for Municipalities and Counties in the Survey

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number</th>
<th>Percent</th>
<th>US Census</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elected Chief Executive-Council</td>
<td>225</td>
<td>32.1</td>
<td></td>
</tr>
<tr>
<td>Customer Service Center</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>104</td>
<td>14.8</td>
<td>-</td>
</tr>
<tr>
<td>No</td>
<td>597</td>
<td>85.2</td>
<td>-</td>
</tr>
<tr>
<td>Geographical Location</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northeast</td>
<td>82</td>
<td>11.7</td>
<td>-</td>
</tr>
<tr>
<td>North Central</td>
<td>164</td>
<td>23.4</td>
<td>-</td>
</tr>
<tr>
<td>South</td>
<td>241</td>
<td>34.4</td>
<td>-</td>
</tr>
<tr>
<td>West</td>
<td>214</td>
<td>30.5</td>
<td>-</td>
</tr>
<tr>
<td>MSA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>244</td>
<td>34.8</td>
<td>-</td>
</tr>
<tr>
<td>Suburban</td>
<td>290</td>
<td>41.4</td>
<td>-</td>
</tr>
<tr>
<td>Independent</td>
<td>167</td>
<td>23.8</td>
<td>-</td>
</tr>
<tr>
<td>Local Structure</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>388</td>
<td>55.3</td>
<td>-</td>
</tr>
<tr>
<td>Non-City</td>
<td>313</td>
<td>44.7</td>
<td>-</td>
</tr>
<tr>
<td>25 and older with Bachelors</td>
<td>27.8</td>
<td>27.0</td>
<td></td>
</tr>
<tr>
<td>Percent Caucasian</td>
<td>74.4</td>
<td>-</td>
<td>74.1</td>
</tr>
<tr>
<td>PCI</td>
<td>$26,322</td>
<td>-</td>
<td>$26,178</td>
</tr>
<tr>
<td>Population</td>
<td>111,925</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Data was obtained from ICMA Local Government Customer Service System Survey, 2007 and the Census Bureau’s American Fact Finder. Due to rounding, percentages may not equal 100.
RESULTS AND DISCUSSION

The results of the binary logistic regression technique are detailed in Table 2. Three counties and municipalities are not included in the results because of missing data (N = 698). Overall, 15 percent of the variance is explained by the model (R^2 = 15). In Table 2, three columns of numbers are presented. The first column (B) represents the coefficient or number that is used to derive the odds ratio. The second column displays the standard error, which is the standard deviation of the sampling distribution. Last, is the odds ratio or the exponentiated B. The odds ratio is interpreted as the factor by which the odds change when a variable increases by one unit, holding the other variables constant. Also, the greater the odds ratio is above 1, the more likely it is that cities and municipalities will have centralized customer service centers. Another statistic, predicted probability, will be mentioned as well. The predicted probability refers to the probability differences between characteristics of each independent variable.

Local Demographic Factors
Hypothesis 1 was supported. The interaction of education and PCI was positive and statistically significant in the model (P = .05). This means the likelihood of having a centralized customer service center increases when local revenue capacity is greater. A closer examination of the proxy variable reveals that the smallest locality has a 4.3 percent probability of having a centralized customer service center while the largest category has a probability of 4.7, when holding the other factors constant. This .04 percent difference is reasonably substantial because less than 15 percent of all localities have this system.

A qualification to this finding, however, is that PCI and education are imperfect measures of revenue capacity.
Although localities use these measures when forecasting revenue, there are additional factors, for example, employment trends, bankruptcies, citizen and business migration, and so forth, that can be employed as well (Israel and Kihl 2005). Furthermore, while revenue is the most important predictor (Jones and Walker 2007), city and municipality solvency can also be measured with expenditures (Pammer 1980; and Rubin 1992). For instance, a locality with a robust revenue capacity may not have a surplus because of high expenditures. Unfortunately, more precise measures were not available.

Last and surprisingly, the percent of Caucasians negatively affected the presence of centralized customer service centers. As the percent of Caucasians increased, the likelihood of having a centralized customer service center decreased. For instance, the category with the lowest percentage had a probability of 3.6 percent, when holding the other factors constant. Alternatively, the category with the largest percent of Caucasians had a probability of 1.4.

There are several possible explanations for this occurrence. First, since cities influence the systems adoption, one explanation could be that cities have fewer Caucasians. A correlation technique, however, revealed that these two variables are only marginally correlated (-.24). Therefore, cities in the dataset do not have fewer percentages of Caucasians or high percentages of minorities. Another explanation could be that minorities live in localities with inadequate infrastructure. For example, Jargowsky (1994) noted that the percentages of African-Americans isolated in substandard areas increased, and Eggers suggests (2006) that a substandard infrastructure can lead to the adoption of this type of system (Eggers, 2006). Further research is needed, however, to adequately understand this occurrence.
Cities and Localities with Large Populations

Hypothesis 2 was supported in the model. Cities were more likely to have adopted centralized customer service centers (P = .00). When examining cities/non-city, the probability increases 5.2 points when shifting from non-cities to cities, holding other factors constant. This finding validates a previous study that suggested centralized customer service centers were more likely to be adopted in cities (National Center for Public Performance 2007). Because cities have been instrumental in adopting customer service centers (Eggers, 2006; Kavanagh, 2007; Patton, 2007; Perlman, 2007), support is lent to the claim that cities are more likely to undertake innovative programs because these systems are progressive reforms (Benton 2002).

Hypothesis 3 was also supported in the model. Cities and counties with large populations were more likely to have adopted centralized customer service centers (P = .01). For instance, cities with populations in the smallest category have probabilities 8.5 points lower than those cities with populations in the largest category, holding other factors constant. This finding indicates that larger incorporated areas possess certain characteristics that improve the chances of implementing this system. The National Center for Public Performance (2007) suggested that large metropolitan areas have conditions that necessitate these centers. While some large metropolitan areas are cities, they are also associated with counties as well. For example, some counties, like Montgomery County in Maryland, have large populations despite the fact that their cities are small. Therefore, highly populated localities, regardless of designation (city/county), are more likely to possess centralized customer service centers.

A qualification to this finding is that other factors were not obtainable that could impact the adoption of a centralized customer service center. As mentioned, cities and large populated areas have poorer infrastructure when
compared to counties and vastly populated localities. Moreover, the ICMA (2007) survey revealed that many people utilized the system to complain about issues, such as potholes, graffiti, and so forth. Therefore, localities may not have a need for this type of system when they have excellent roads and bridges, for example. Following, factors that pertain to the condition of the locality, in lieu of cities and large metropolitan areas, would be a more precise indicator of whether or not they have this system. Unfortunately no data was found that rated each locality’s infrastructure.

**Forms of Government**

Surprisingly hypothesis 4 was not supported. Cities and municipalities with an elected chief executive-council form of government were not more likely to have centralized customer service centers. There are several possible explanations for this occurrence. First, although elected chief executives have more power when compared to appointed managers, as the elected chief executive has a veto, both have roles and authority that are subject to council oversight. Thus, both forms of government may function similarly (Svara 2008). Next, a related point is some localities have strong chief executives and some have weak chief executives. For example, the Winter Commission recommended that elected chief executives be strengthened in counties and cities at the expense of councils. The commission’s point is that councils, through such means as micromanaging, can hinder an elected chief executive’s ability to govern (National Commission on the State and Local Public Service 1993). So, the adoption of a centralized customer service center may differ when examining this effect. Unfortunately, this information was not available. In sum, this effect could be due to the way this variable is measured.
Location

Although not hypothesized and statistically significant (P < .05), southern cities and municipalities were more likely to have centralized customer service centers. This suggests regional differences could lead to the systems adoption. When taking into account the fact that other regions were not statistically significant, this effect seems minimal. To understand this occurrence fully, additional research needs to be conducted.
Table 2
Logit Regression Results for Municipality and County Factors that Affect Implementation of Centralized Customer Service Centers
Dependent Variable = Centralized Customer Service Center (Yes/No)

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>B</th>
<th>Standard Error</th>
<th>Exp(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Demographic Factors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PCI and Education (Revenue Capacity)</td>
<td>.016*</td>
<td>.008</td>
<td>1.016</td>
</tr>
<tr>
<td>Caucasian (percent)</td>
<td>-.159*</td>
<td>.069</td>
<td>.853</td>
</tr>
<tr>
<td>Cities and Localities with Large Populations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City/Non-City</td>
<td>.851***</td>
<td>.274</td>
<td>2.342</td>
</tr>
<tr>
<td>Population</td>
<td>.180**</td>
<td>.075</td>
<td>1.197</td>
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<tr>
<td>Forms of Government</td>
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<tr>
<td>Elected Chief</td>
<td>-.257</td>
<td>.295</td>
<td>.773</td>
</tr>
<tr>
<td>Executive-Council/Council Manager</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northeast</td>
<td>.633</td>
<td>.420</td>
<td>1.883</td>
</tr>
<tr>
<td>North Central</td>
<td>.635</td>
<td>.344</td>
<td>1.886</td>
</tr>
<tr>
<td>South</td>
<td>.568*</td>
<td>.288</td>
<td>1.765</td>
</tr>
<tr>
<td>Primary City in MSA</td>
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<td>.276</td>
<td>1.127</td>
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<tr>
<td>Independent (Not in MSA)</td>
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<td>.531</td>
<td>.406</td>
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Data was obtained from ICMA Local Government Customer Service System Survey (2007) and the 2007 US Census Bureau estimates
*** denotes .00 significance; ** denotes .01 significance; and * denotes .02 to .05
CONCLUSION

The article fulfilled its goal of advancing the understanding of factors that contribute to the presence of centralized customer service centers. In so doing, this article identified a model of factors based on earlier research, and it tested it on cities and municipalities in the U.S. After examining local demographic factors, cities and areas with large populations, forms of government, and location, the findings indicate that several variables are important predictors. First, cities and municipalities with higher revenue capacity are more likely to have a centralized customer service center. Second, cities and municipalities with higher percentages of Caucasians are less likely to have adopted the system. Third, cities are more likely to have adopted this system when compared to non-cities. Fourth, highly populated cities and counties are more likely to have this system. Last, southern cities are more likely to have adopted centralized customer service centers.

An important caveat is that the survey was cross-sectional and not longitudinal. As a result, it is impossible to perform a statistical technique that accounts for how independent variables changed over time, especially the years preceding the implementation of the system. It would therefore be beneficial for future research to examine these factors over a period of years. Another caveat is that the model only explained 15 percent of the variance. This means that there are other contributing factors that were not included. For example, revenue was used as a proxy for localities’ fiscal health and only two facets of revenue were used as a proxy. An all-encompassing measure ostensibly would have yielded better results.

Because of these caveats, more research needs to be conducted concerning centralized customer service systems. For example, do citizens trust governments more
when they have this system? How responsive to citizen demands are these governments that implement this system? Are localities successful, from the perspective of citizens and the bureaucracy, in how they use this information? Last, how does this system improve program and policy outcomes? A further understanding of centralized customer service centers and their impact will ensue when these questions are answered.

However, this article has important far reaching policy implications. First, centralized customer service centers are but one type of reform used to promote civic engagement and citizen ownership. Therefore, these factors would presumably lead to the adoption of similar programs as well. Next, this article furthers the understanding concerning which local factors affect policy adoption; that is, a connection is made between the environment and policy decisions. In that vein, this article can be useful to citizens, practitioners, and policymakers, because it assists in recognizing the importance of factors in the agenda setting and adoption stages. Last, this article demonstrates that there is a clear distinction between cities and counties. It is suggested that these differences are much deeper than the adoption of centralized customer service centers and that they can be applied to many forms of policymaking and governance.

NOTES

1. Prince William County, Virginia used per capita income as a measure of a localities’ ability to pay taxes. For more information see http://www.pwcf.gov/docLibrary/PDF/003479.pdf.
REFERENCES


**Biography**

James Gerard Caillier is an assistant professor at The College at Brockport, State University of New York. He has recently published articles regarding health care, education, and personnel practices. Additionally, he has spent several years working as a practitioner in state government.

**APPENDIX**


2. Geographical regions from ICMAs code sheet:
   a. Northeast (New England and Mid-Atlantic)
   b. North Central (East North Central and West North Central)
   c. South (South Atlantic, East South Central, and West South Central)
   d. West (Mountain and Pacific Coast)