



January 10, 2024

The Honorable Gary Peters
Chairman
The Honorable Rand Paul
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate

Dear Chairman Peters and Ranking Member Paul:

On behalf of the Partnership for Public Service, a nonpartisan, nonprofit organization dedicated to better government and stronger democracy, I am writing to submit this letter for the record in connection with the Senate Homeland Security and Governmental Affairs Committee’s hearing “Harnessing AI to Improve Government Services and Customer Experience.”

As technology rapidly advances and the federal government considers the opportunities and risks of deploying artificial intelligence (AI), agencies must think strategically about how to best use this tool to accelerate improvements to public-facing high impact services, such as filing taxes, getting screened by TSA at the airport, enrolling in Medicare, and applying for and receiving disaster assistance. Before assessing how AI and other emerging tools can boost federal customer experience (CX) efforts, it’s first useful to establish a baseline understanding of how end users experience government service delivery.

Customer service, at its core, is the direct and immediate interaction between a customer and the service provider, concentrating on addressing questions and resolving any issues promptly. Customer service usually starts with and focuses on solving problems of the moment. In contrast, customer experience (CX) is a broader concept that reflects the journey, or the sum of all interactions, the customer has with the organization and focuses on delivering sustained customer satisfaction and fostering long-term engagement. CX management involves a comprehensive understanding of customer needs, analyzing every touchpoint, evaluating interactions and measuring the effectiveness of products and services across the entire organization to proactively meet the needs of the American public. This distinction underscores the importance of attending to both immediate interactions through customer service, and the broader holistic journey through customer experience.

Improving CX will bolster how agencies interact with the public and can foster public trust in the federal government. In fact, Partnership polling shows that positive experiences with federal services may help drive trust in government but that negative experiences appear to affect trust more strongly.ⁱ This trend continues globally, with McKinsey finding that customers are nine times more likely to trust their government and nine times more likely to agree that agencies are meeting their mission if they are satisfied with its services.ⁱⁱ

Recommendations

To fully realize government’s potential to integrate AI and deliver improved federal services, progress must be made on several foundational fronts:

1) Establish strong governance structures

For AI and CX efforts to be successfully coordinated at agencies, it is imperative to view CX as an enterprise-wide initiative and put that into practice by actively involving leaders and teams from diverse departments and offices. This work requires enterprise-wide digital solutions to drive CX rather than custom solutions for individual lines of business.

For that reason, AI and CX roles cannot operate in silos – simply designating a “chief” only scratches the surface of the cross-organizational leadership necessary to meet this moment head on. Ultimately, if the person in a chief customer experience, AI, data, or information officer position or related role isn’t empowered to lead and work collaboratively across the enterprise, there will be little progress on these issues. A recent surveyⁱⁱⁱ of federal chief data officers (CDOs) reflected this inconsistency, with respondents indicating that CDO functions are organized differently across agencies. For example, 33% of CDOs said they report to chief information officers, 15% report to agency heads and 52% wrote in a variety of other reporting structures (such as reporting to the COO, CFO or other positions).

Agencies should have the ability to assess the optimal reporting structure for their mission, but we recommend that these roles not be dual-hatted with other chief roles unless the person has specific leadership skills applicable to the position or has a technical deputy that can serve as the link between senior leaders and the AI or CX workforce. Additionally, we question whether some of these positions require a “chief” role, or should rather be embedded across existing data, IT, cyber, and program offices that all play parts in enabling any emerging technology such as AI. Regardless of where these positions sit on the organizational chart, it is crucial to ensure that the people in these roles have the requisite skills and accountability mechanisms to enable successful AI adoption and thoughtful, human-centered design CX efforts.

Utilizing existing governance structures, such as IT governance boards, can be instrumental in this regard. These boards bring together various actors and stakeholders, fostering a collaborative environment that breaks down silos and promotes good governance. This integrated approach ensures a more cohesive and effective strategy in implementing AI and CX initiatives, leveraging diverse expertise and perspectives for holistic solutions.

2) Prioritize data

To deliver customer-centric services, the executive branch and Congress must enable agencies to share common customer data in a secure environment. This demands a new approach to customer data that prioritizes enterprise solutions, not temporary workarounds. The federal government should recognize that it is not only possible but vital to both embrace customer data protections and reduce the administrative burden on customers—but doing so will take bold action, investment and a willingness to consider innovative approaches.

Some agencies have made strides in adopting best practices, including the Small Business Administration, FEMA and the Department of Housing and Urban Development, which coordinate to provide disaster assistance. But more often than not, agencies have barriers in sharing data across and within agencies. Overcoming these challenges will require strategic planning and enterprise data-sharing agreements to make sure that the information fueling federal CX efforts is readily available to those spearheading these efforts.

We recommend the following actions:

- Agencies should invest in APIs—software that enables two computer programs to communicate—or other emerging technology tools that enable secure data verification; for example, validating income eligibility for specific benefit programs. As needed, OMB should generate policy to govern these arrangements.
- Agencies should explore and, where feasible, implement cloud storage and computing solutions to make their data more secure, manageable, and usable. The interoperability and computing power of modern cloud solutions are critical to leveraging the value of government data and expanding the government’s capacity to train and operationalize AI.
- OMB should work with entities like the Chief Data Officers Council and the Federal Privacy Council to establish government-wide approaches for research and data protection laws and regulations relevant to customer experience missions, such as the Privacy Act. They should also create standard parameters for conducting customer research, collecting customer feedback and data, and research compensation.
- OMB and other federal agencies should conduct an audit of CX data collection, data protection and data-sharing statutes and regulations that are relevant to customer experience programs, building on the life experience projects to understand where these policies prevent seamless and secure customer experiences. With these findings, they should seek regulatory or congressional support as needed.
- Federal agencies should explore proposals to give customers the opportunity to opt in or out of allowing agencies to share their data across programs or agencies, or explore pursuing an “ask once” goal for data collection, subject to legal requirements.
- Congress should pass additional customer experience legislation, along the lines of the Federal Agency Customer Experience Act, that will improve agencies’ ability to understand the diverse needs of the people they serve and securely use customer experience data to improve federal service delivery and build public trust. Additionally, Congress should provide oversight over the 21st Century Integrated Digital Experience Act (IDEA) implementation and 508 compliance efforts, as both are important to federal CX efforts.
- When integrating AI into their operations, agencies must first ensure that data inputs are accessible, high-quality, and machine-readable. To achieve these pillars of data management and usability, agencies should define and maintain rigid internal data standards to ensure readiness for AI applications. Most importantly, agencies should maintain and communicate data in non-PDF formats. Wherever possible, agencies working with similar data should align their standards to increase the value of each data set and reduce duplicative work.

In customer experience and service delivery applications, personally identifiable information (PII) is used to customize AI systems, optimizing them for the individual’s needs. However, attached to those opportunities for improvement are a host of privacy-related risks. Agencies must address

these harms with robust data governance policies and powerful privacy-enhancing technologies (PETs). To save time, reduce costs, and protect customers, we recommend agencies audit their data intake practices to align with modern best practices for data minimization. Additionally, agencies should publicly define permitted uses for PII and provide a simple and prompt means for customers to delete, change, or control access to their information. To prevent malicious use of PII, agencies should prioritize security in the design of their data infrastructure and adopt cutting edge PETs. Combining architectures like Zero-Trust with technologies like Secure Multi-Party Computing creates overlapping protections against unauthorized access and extraction. These recommendations simultaneously promote individual liberty and personal privacy for the customer and responsible stewardship by the government.

3) Focus on talent

This connection between the federal employee experience and the customer experience is particularly important now, as Congress and the Biden administration are making historic investments in communities around the country through the Bipartisan Infrastructure Law, Inflation Reduction Act, and CHIPS and Science Act. The agencies rebuilding bridges and roads, expanding the availability of high-speed internet, lowering energy costs, ensuring access to clean drinking water and facilitating economic growth will be most successful in these efforts if a focus on their customers drives their work. Moreover, the civil servants delivering these public benefits will be most effective if they are engaged and empowered at work.

There are several human capital components to prioritize when focusing on improved CX and the integration of AI:

- **Hiring** – To successfully deliver on agency mission and accomplish any CX and AI goals in the coming years, government needs people with these specialized skillsets. The Office of Personnel Management (OPM) has issued information on AI competencies^{iv} and streamlined some hiring processes^v to assist in talent surge efforts, but agencies need more guidance at the hiring manager level to make this work. We recommend that Congress fully authorize, fund and support agency hiring efforts for the talent needs of a user-centric government, both within and across agencies, and professionalize the customer experience and AI career fields by creating targeted occupational series. Additionally, Congress should bolster federal HR offices so they have the capacity and skills to be consulting partners in the work to bring on CX and AI talent.
- **Funding** – To accomplish the called-for AI talent surge and make government competitive for top talent, there needs to be a government-wide recruitment strategy bolstered by streamlined hiring processes (including assessments, pooled hiring efforts, shared position descriptions and other hiring flexibilities). We recommend that Congress fully and flexibly fund CX budgets from the customer’s perspective, allowing for cross-agency programs, personnel, resources and investments (for example, through the Technology Modernization Fund and the continued use of CX set-aside resources for the implementation of AI).
- **Recruitment incentives** – An OPM proposed rule^{vi} would enable agencies to authorize recruitment incentives for up to 50% of their annual basic pay per year to fill critical agency needs. Agencies should use this pending new authority to help compete against the private sector for AI workforce talent. We recommend that agencies use the pending recruitment incentive waiver authority and focus on streamlining the initiation and approval process of

recruitment incentives to offer market-sensitive payments to assist in hiring AI workforce talent. Agencies could also more effectively use recruitment incentives if the law authorizing these payments was amended to allow for occupation-based payments using conditions for similar positions in the private sector. This would allow the federal government to adjust to changing talent needs and market conditions.

- **Pay system** – As we lean into emerging fields like AI, the federal government must urgently update its antiquated pay system. The government’s 1949 pay and classification system was designed for clerical workers, not today’s highly professional, specialized civil service. To meet today’s hiring and retention needs, Congress should create a modern, occupation-based, market-sensitive pay system. While the government, in most cases, will not be able to match private sector salaries, it will be better positioned to fill critical skill gaps—in cyber, AI and CX positions, for example—under a system that allows agencies more flexibility in setting pay and by establishing standard job series for roles in these fields.
- **Retention** – In addition to undertaking necessary AI and CX talent surges, federal agencies must also prioritize retention of current employees. A Partnership analysis of nearly 150 VA medical centers found a connection between CX and employee experience.^{vii} In fact, a better customer experience can drive an enhanced employee experience, creating a virtuous circle of good government. Agencies should focus on employee retention by adopting strategies like robust onboarding programs, mentorship programs, professional development opportunities and clear performance metrics related to the employee experience.
- **Flexibility** – The pandemic forced a reimagining of work across all sectors and industries, leading to an increased desire for flexibility, particularly among younger employees and those in the tech field, where employers offered ample hybrid and remote opportunities. To recruit and retain top talent, the government must think strategically about how to infuse various types of flexibility into federal roles. One example of a measured approach is the Telework Reform Act^{viii}, introduced last year by Senators Lankford and Sinema, which would update the telework law that was first passed in 2010 and codify the definitions of telework and remote work.
- **Training** – Whether agencies are building their own AI systems or acquiring them from outside vendors, they should ensure that federal employees have sufficient expertise to evaluate and operate artificial intelligence tools. Agencies should also explore ways to develop technical and non-technical staff capacity to understand the risks, benefits and implications of using AI for service delivery. Some current efforts recognize this need and aim to assist agencies in developing expertise, such as Chairman Peters’ AI Training Act^{ix} signed into law in October 2022 which charges OMB with developing a training program to help acquisition professionals better understand AI and its potential risks and benefits. Congress should work with OMB to evaluate the effectiveness of the program and consider whether this already-underway framework can be applied to other training opportunities.

4) Embed human-centered design principles

The principles of human-centered design (HCD) play a pivotal role in enhancing customer experience. HCD is an approach that focuses on understanding the needs, behaviors, and experiences of people—the end-users—at every stage of the design and service delivery process. It

involves iterative, collaborative techniques and empathetic engagement to create solutions that are not only efficient and effective but also resonate deeply with the user's needs and preferences. By integrating HCD, the federal government can ensure that their services are not only functionally excellent but also intuitively aligned with what the American public truly values and needs.

One of the best practices in designing products is the collection of user feedback. This ensures that a product is designed for the customer, in addition to being user-friendly and accessible. Far too often, government products and services are not designed this way and agencies do not incorporate real-time user feedback at points throughout the development process to drive improvements – often this is due to a real or perceived ban on collecting user feedback unless agencies go through the requirements of the Paperwork Reduction Act. We support bipartisan Congressional efforts like the Federal Agency Customer Experience (FACE) Act, which would improve the collection of voluntary feedback from citizens and require federal agencies to publicly report customer satisfaction data, and the Improving Government Services Act, which aims to improve agency CX efforts and ensure those services are user-friendly and accessible.

5) Encourage strategic innovation and risk-taking

Finally, agencies can take managed risks in the areas of AI and CX by using pilots to define use cases and utilize human-centered design practices to identify customer needs. A recent Government Accountability Office (GAO) report^x found that agencies have over 1,200 current and planned use cases. To more effectively assess the risks and benefits of using AI, agencies should be permitted to experiment with thoughtful pilot efforts aimed at collecting data and informing future, wider-scale actions. Allowing agencies the space to pilot innovative uses of AI applications to enhance customer service will be critical to strategically and appropriately expanding its use across government. Along with developing use cases through human-centered design principles, agencies also need to evaluate the uses of AI and apply lessons learned.

There are several models in other fields and agencies that could serve as ways to develop spaces of innovation for the use of customer-focused AI. One such model is the procurement innovation lab at the Department of Homeland Security (DHS). This provides a safe space for DHS components to test procurement solutions, while developing and applying lessons learned. Exploring ways to create cross-government opportunities for agencies to work collaboratively and share lessons learned could be useful for scaling AI and CX work.

Center of government agencies (e.g., OMB and GSA) also have a critical role to play in fostering collaboration and innovation on AI across the government. For example, a federal advisory committee on acquisition policy recently recommended that GSA establish a task force to examine opportunities for use of AI in federal procurement, which include enhancing agencies' market research, compliance with acquisition regulations, decision-making and risk management. These types of uses could lead to better contracting decisions that ultimately benefit the customer.

The National Science Foundation (NSF) also may be able to play a convening role in bringing agencies together to explore enterprise solutions, rather than having application usage and evaluation done in agency silos. Per Executive Order 14110^{xi}, NSF has already been tasked with setting up AI research centers that bring together private sector research and expertise. Having a



center or other entity that is focused on the use of AI in the public sector would be equally impactful.

Conclusion

We appreciate the Committee’s attention to this important issue and your efforts to strengthen the public’s experience with government services. The Partnership looks forward to supporting the Committee’s efforts and working together on these important issues in the future. We would be happy to provide further briefings for members and committee staff about leading CX practices in government, informed by our work with federal agencies – please let us know if you have any questions or would like to discuss these matters in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Max Stier".

Max Stier
President and CEO
Partnership for Public Service

ⁱ “Connecting the dots between the customer experience and trust in government,” Partnership for Public Service, July 2023, <https://ourpublicservice.org/blog/customer-experience-and-trust-in-government/>

ⁱⁱ “The global case for customer experience in government,” McKinsey, September 2019, <https://www.mckinsey.com/industries/public-sector/our-insights/the-global-case-for-customer-experience-in-government>

ⁱⁱⁱ “Enabling Mission Success: A 2023 Survey of Federal Chief Data Officers,” Data Foundation and Deloitte, December 2023, <https://www.datafoundation.org/2023-cdo-survey-report>

^{iv} “The AI in Government Act of 2020 – Artificial Intelligence Competencies,” Office of Personnel Management, July 2023, <https://www.chcoc.gov/content/ai-government-act-2020-%E2%80%93-artificial-intelligence-competencies>

^v “Government-wide Hiring Authorities for Advancing Federal Government Use of Artificial Intelligence (AI),” Office of Personnel Management, December 2023, <https://www.chcoc.gov/content/government-wide-hiring-authorities-advancing-federal-government-use-artificial-intelligence>

^{vi} “Recruitment and Relocation Incentive Waivers,” Federal Register, November 2023, <https://www.federalregister.gov/documents/2023/11/15/2023-25199/recruitment-and-relocation-incentive-waivers>

^{vii} “The Good Government Connection: Linking the Federal Employee and Customer Experiences,” Partnership for Public Service, May 2023, <https://ourpublicservice.org/publications/the-good-government-connection/>

^{viii} “S.3015 - Telework Reform Act of 2023,” Congress.gov, <https://www.congress.gov/bill/118th-congress/senate-bill/3015>

^{ix} “S.2551 - AI Training Act,” Congress.gov, <https://www.congress.gov/bill/117th-congress/senate-bill/2551>

^x “Artificial Intelligence: Agencies Have Begun Implementation but Need to Complete Key Requirements,” Government Accountability Office, December 2023, <https://www.gao.gov/products/gao-24-105980>

^{xi} “Executive Order on the Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence,” The White House, October 2023, <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/10/30/executive-order-on-the-safe-secure-and-trustworthy-development-and-use-of-artificial-intelligence/>