

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Monday, November 1, 2021
Subject	<b>Improving Guelph's Customer and Digital Services</b>

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## Recommendation

1. That the report titled "Improving Guelph's Customer and Digital Services", dated November 1, 2021, be received.
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## Executive Summary

### Purpose of Report

Share recent customer and digital service improvements and progress implementing the Council-approved customer service strategy: Service Simplified.

Show what's possible: how other governments' multi-year digital transformation efforts are making services simpler, clearer, and faster.

Share research showing how better customer experiences increase people's trust in government.

Share options to align employee resources to support a more customer-focused, performance driven and digitally enabled organization as recommended in [Service Simplified: Guelph's Customer Service Strategy](#), [Guelph's Digital and Technology Master Plan](#), [Guelph's Service Rationalization](#) and [Digitization of Services reports](#).

### Key Findings

Before COVID-19, several City departments had already started making services available online. COVID-19 sped up some progress as all departments considered how to reduce in-person interactions.

The City set people up to work remotely and implemented several separate digital solutions including online forms, digital signatures, online meetings, appointment bookings etc. These new digital tools helped maintain critical services, but some were never meant to be integrated, long-term or permanent solutions.

While the City celebrates these individual successes and quick wins, Guelph's decentralized approach to customer service is impeding the ability to design and deliver the services people and businesses have come to expect.

Without a more customer-focused, performance driven, digitally enabled workplace culture, further efforts to improve customer and digital services are likely to fall short of expectations or fail.

A dedicated multi-discipline digital service team was recommended in the Council-approved [Customer Service Strategy Service Simplified \(2018\)](#), and [Guelph's Digital and](#)

[Technology Master Plan](#). The [July 2021 Service Rationalization Report](#) also suggested the City align employee resources to better align with [City's Strategic Plan](#) and direction from City Council, and a dedicated digital service team was recommended again in the [September 2021 Service Digitization Report](#).

The pace of Guelph's progress toward its stated goals and strategic priorities depends on the City's capacity to review, redesign, and redeploy more integrated customer-focused services based on user needs.

**Current approach:** Convene a team of existing employees to a cross-departmental customer and digital service steering committee. This approach has not achieved desired results due to competing priorities associated with team members' permanent roles, and reporting relationships.

To support the culture shift toward a more customer-focused, performance driven and digitally enabled organization, City staff are considering ways to:

- increase capacity for service and performance improvements
- bring existing customer and digital service projects onto a shared corporate work plan
- limit potential impact on other strategic priorities

City staff are researching the following options for the Executive Team to consider:

**Option one:** Add strategic customer service and experience roles and begin building a formal digital service team or division within the organization.

**Option two:** Create a new customer and digital services division or department, and recruit for all required skills and roles. This option is likely to be more costly and disruptive than option one.

Both options require further research and internal engagement with service owners, project teams, leadership, and affected employees.

## Financial Implications

Recommended investments to support ongoing customer and digital service improvement will be presented in the proposed 2022-23 budget.

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## Report

Guided by the strategic plan, Guelph. Future ready, the City has increased and improved several digital services over the past few years. Perhaps the best-known examples are the [Report an issue map](#), [Guelph Waste app](#), and the [On Your Way bus fare app](#). More recent examples include:

- Moving all employees to MS Office 365; enabling people working in the office, at home or in the field to connect and collaborate.
- Online property tax certificate purchases.
- Virtual Council and Committee meetings, Court proceedings.
- Online appointment booking to reduce wait times at City Hall.
- 315 paper-based forms are now available online reducing in-person interaction and improving access outside business hours.
- Improved, more automated payroll and attendance management platform for 628 employees, saving an estimated 10,000 hours of staff time.

- 340 employees are now using an online performance management application, improving documentation, enabling better communication between leaders and teams, and reducing time spent on manual performance reporting.
- Automated and integrated expense management software will reduce time spent printing, manually submitting and reconciling more than 4,000 expense reports and reimbursements a year.
- Launching online business license applications and renewals.
- Experimenting with a virtual assistant on [guelph.ca](http://guelph.ca) learn what people ask about most and use that data to improve web content about those topics.

**Digital isn’t always better. Better is better.**

Using modern tools and technology is critical for designing and delivering better services, but it’s just part of Guelph’s continuous improvement journey.

To achieve the goals of the [City’s Strategic Plan Guelph. Future ready, Council-approved Customer Service Strategy: Service Simplified \(2018\)](#) and [Guelph’s Digital and Technology Master Plan](#), Guelph must continue making strategic and sustainable investments to support a more customer-focused, performance driven, digitally enabled workplace culture. It’s about putting the skills and resources in place to:

- review City services based on user needs
- optimize the processes and technology used to deliver those services
- measure performance
- use data to continue making improvements

In time, this approach creates capacity for service agents to serve more people and businesses as Guelph continues to grow. It also provides learning and growth opportunities for employees to continue improving service and performance in all departments, across all channels.

And, based on experiences from other government organizations, Guelph expects significant savings as it improves and increases digital services.

**Estimated interaction costs**

Channel	UK	Norway	Canada
Web	\$0.14 - \$0.27	\$0.46	\$0.91
Phone	\$5.02 - \$6.01	\$6.23	\$5.50
In person	\$15.28 - \$18.66	\$12.46	\$12.00 - \$30.32

Source: Ben Perry Consulting

**Implementing the Council-approved Customer Service Strategy: Service Simplified**

According to the path to citizen-centred service from Service Simplified, Guelph is at level bronze.

## Path to Citizen-centered Service

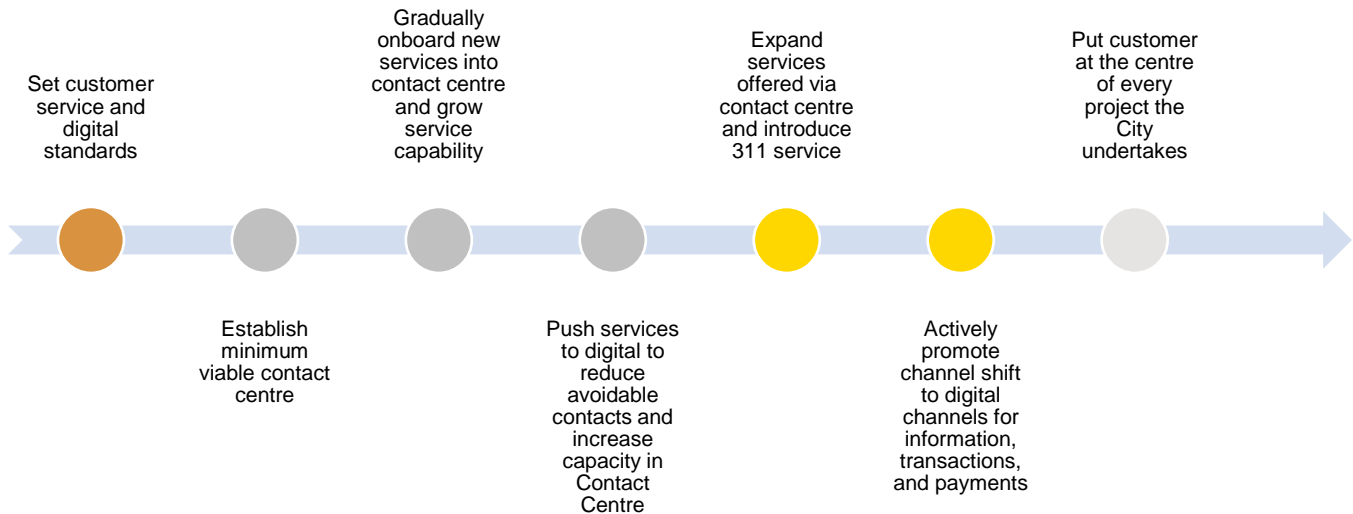


Image source: Ben Perry Consulting

By the end of 2021, the City plans to establish its corporate customer service standards and performance measurement framework; an important first step toward implementing [Service Simplified](#).

While the City expects most departments deliver good service, service delivery is not standardized across all departments, and is not currently measuring Guelph's overall customer service performance. Using consistent customer service standards and key performance indicators, the City can find and support areas that may be underperforming.

The City plans to report on customer service performance in all departments and across all channels in 2022.

### Opportunities identified in Guelph's Service Rationalization Review

Most of the top recommendations from the [July 2021 Service Rationalization Report](#) focus on improving customer and digital service. Since then, the City has taken steps to address two of those opportunities:

- further research and prioritize a list of digital initiatives which are planned or are already underway develop a roadmap to guide ongoing customer and digital service improvements
- consider options for more a connected corporate payment platform

The findings in the [September 2021 Digitization of Services Report](#) show that while Guelph has developed some innovative programs and services, digital maturity is inconsistent across the organization. Overall, Guelph is less digitally enabled than comparable Canadian cities, and a more customer-focused, city-wide approach is needed to improve customer services and organizational performance.

The report included a summary of Guelph’s digital development roadmap (table below) showing the multi-year commitment required to become a more customer-focused, performance driven digitally enabled organization.

**Summary of Guelph’s digital development roadmap**

Area	Wave 1 (<18 mths) Initiation and Consolidation	Wave 2 (12–24 mths) Service Optimization	Wave 3 (18–36 mths) City-wide Transformation	Wave 4 (>36 mths) Continuous Improvement
<b>People</b>	Develop digital awareness training for all staff and identify digital champions for individual departments	Build digital capability through discrete training and recruitment to drive a more integrated delivery model	Initiate a city-wide review of organizational structural design and resources based on new digital capabilities	Ongoing digital training and development program to reinforce digital culture and future digital capabilities
<b>Process</b>	Identify specific processes for early digital adoption and build an exhaustive digital services inventory (process based)	Initiate a centrally managed process re-engineering program to enable increased digital delivery, driven by the process improvement office	Intensify the process re-engineering program to focus on next generation digital capability (i.e. automation)	Continuous evaluation of city delivery processes in light of changing technology and customer expectations
<b>Technology</b>	Develop exhaustive existing technology inventory for all services / departments and current interoperability (technology or tool based)	Consolidate and rationalize current suite of applications to deliver enhanced digital consistency (i.e. payments)	Develop a city-wide program of technology development / acquisition to support future digital enablement	Continuous review and augmentation of Guelph’s technology set for new use cases and city innovation

Area	Wave 1 (<18 mths) Initiation and Consolidation	Wave 2 (12–24 mths) Service Optimization	Wave 3 (18–36 mths) City-wide Transformation	Wave 4 (>36 mths) Continuous Improvement
<b>Governance</b>	Develop a digital governance structure and mandated team to manage a city-wide digital transformation program	Identify and upskill business / departmental sponsors to lead digital initiative and own associated investment	Focus the digital governance on driving delivery of the business benefits and the embedding of change	Ongoing digital design authority, benefits monitoring and investment management embedded back to the Executive Team
<b>Data</b>	Confirm data architecture and security approach whilst improving and cleansing key data sets (i.e. Graphic Information System)	Focus on migrating all of Guelph’s major data sets to a new integrated data model centralized location	Build Guelph’s data analytics capability to support the development of data driven decision-making culture	Continuous development and enrichment of Guelph’s data sets from new data sources / new devices (i.e. Internet of Things)
<b>Service Delivery</b>	Identify quick wins and/or pathfinder projects to road show digital capabilities internally and to citizens	Focus on delivering material operation efficiencies through digital enablement and process optimization	Focus on delivering service modernization through digital enablement enhancing the city’s range of offerings.	Focus on moving Guelph to more platform enabled approach to customer, operation and administration

Area	Wave 1 (<18 mths) Initiation and Consolidation	Wave 2 (12–24 mths) Service Optimization	Wave 3 (18–36 mths) City-wide Transformation	Wave 4 (>36 mths) Continuous Improvement
Customer	Develop digital enablement of customer engagement with specific focus communication (i.e. website enhancement)	Develop new digital channels enhancing citizen experience, supporting self service and enabling customer analytics	Focus on increased service automation (i.e. Artificial Intelligence / chatbots) and data driven delivery (i.e. Robot Process Automation / machine learning)	Continue to monitor and early response to key customer trends for city engagement and citizen satisfaction

Source: [KPMG Digitization of Services Report](#)

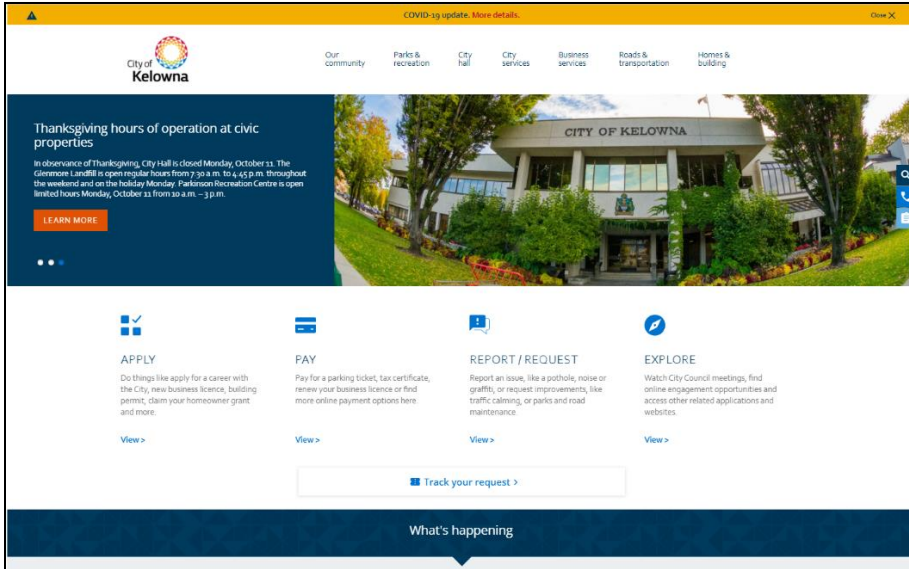
### Exploring what’s possible

In addition to the lessons learned from our own experience modernizing programs and services, the City has researched several other local governments to understand the challenges ahead, and to learn from their mistakes.

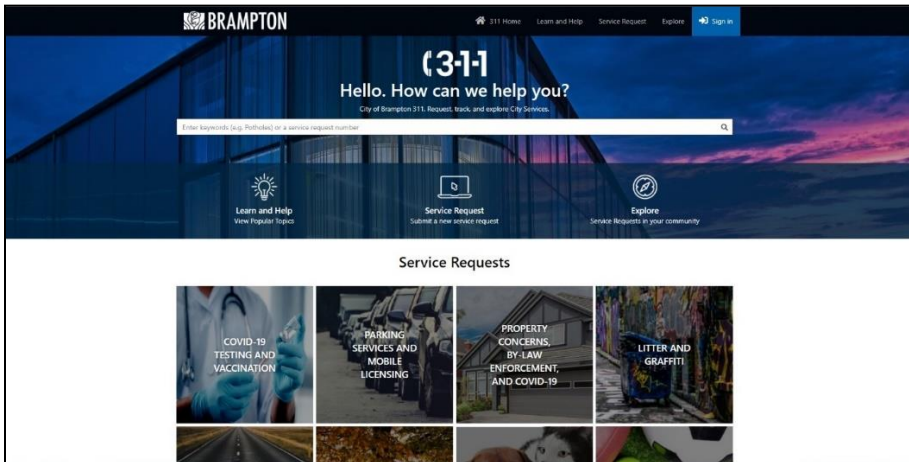
Some examples local governments leading the way in digital service transformation include:



[Boston.gov](https://www.boston.gov)



[kelowna.ca](http://kelowna.ca)



[311brampton.ca](http://311brampton.ca)

## Industry research

The following excerpts from [Digital public services: How to achieve fast transformation at scale](#) show what’s possible, and how Guelph and other government organizations can meet public expectations and become more efficient and resilient.

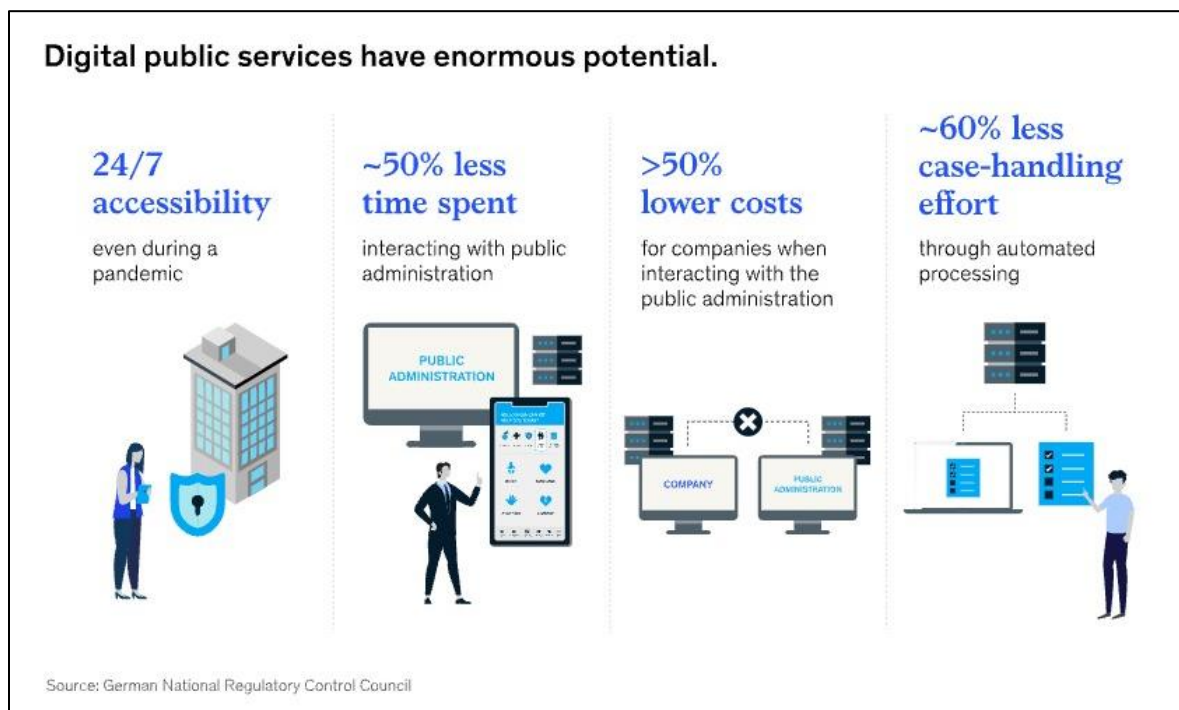
“The private sector has raised the bar on the customer experience, and people expect governments to keep up. For many people, it is a matter of trust: **residents who are satisfied with a public service are nine times more likely to trust the government overall than those who are not.**<sup>1</sup>

Other benefits are more tangible. Unlike physical offices, digital ones are open to the public 24/7—and stay open during public-health crises such as the COVID-19 pandemic.

<sup>1</sup> Global results from Canada, France, Germany, Mexico, United Kingdom, and United States; McKinsey Public Sector Journey Benchmark Survey, 2018.



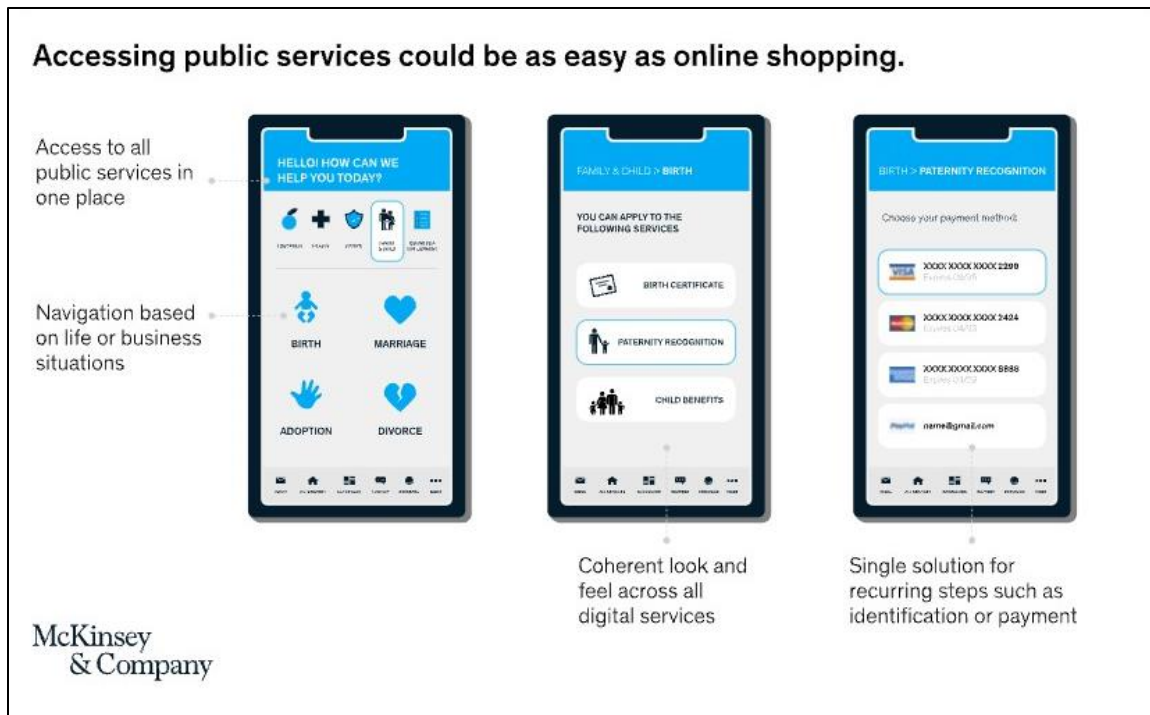
Digital interactions are less time consuming for people and reduce the administrative burden on companies, which can help support business as economies recover from the effects of COVID-19.<sup>2</sup> Moreover, automating case handling significantly boosts productivity, reducing backlogs and freeing up resources for other priorities—another advantage in the wake of COVID-19, when speed and resilience for delivering critical services are paramount. Public-sector employees also stand to benefit from digitization; fewer repetitive tasks and happier residents pave the way to higher levels of job satisfaction.”



“Navigating public services can be bewildering. Information about how to access services is often presented in hard-to-understand bureaucratic language, and users must visit different websites or offices for each service. Applications routinely require hard copies of supporting documents to still be printed and signed, and many online forms are just as complicated to complete as the paper versions. Furthermore, the user experience tends to vary across government websites, and users often require multiple accounts and digital IDs to manage their needs.

All of this stands in stark contrast to expectations. More and more often, people see no reason why public services should be more complicated than shopping online. They want to be able to quickly find the most relevant services. They want information in clear and simple language and expect to complete all transactions via digital channels—ideally, through a single digital journey.”

<sup>2</sup> For example, in Germany, digitizing the 30 most important business services is projected to save companies approximately €1 billion a year in administrative costs; see Mehr leistung für bürger und unternehmen: Verwaltung digitalisieren. Register modernisieren (Better service to citizens and companies: Digitize administration. Modernize registries.), German National Regulatory Control Council, October 2017, p. 55, normenkontrollrat.bund.de.



“Government services are owned by different departments, agencies, and geographic units, all of which have strong legal independence. Many individual units have started on their own digitization programs and have expended considerable resources to do so. It is no easy task to motivate these actors to contribute to integrated journeys and provide their services via a common digital channel.”

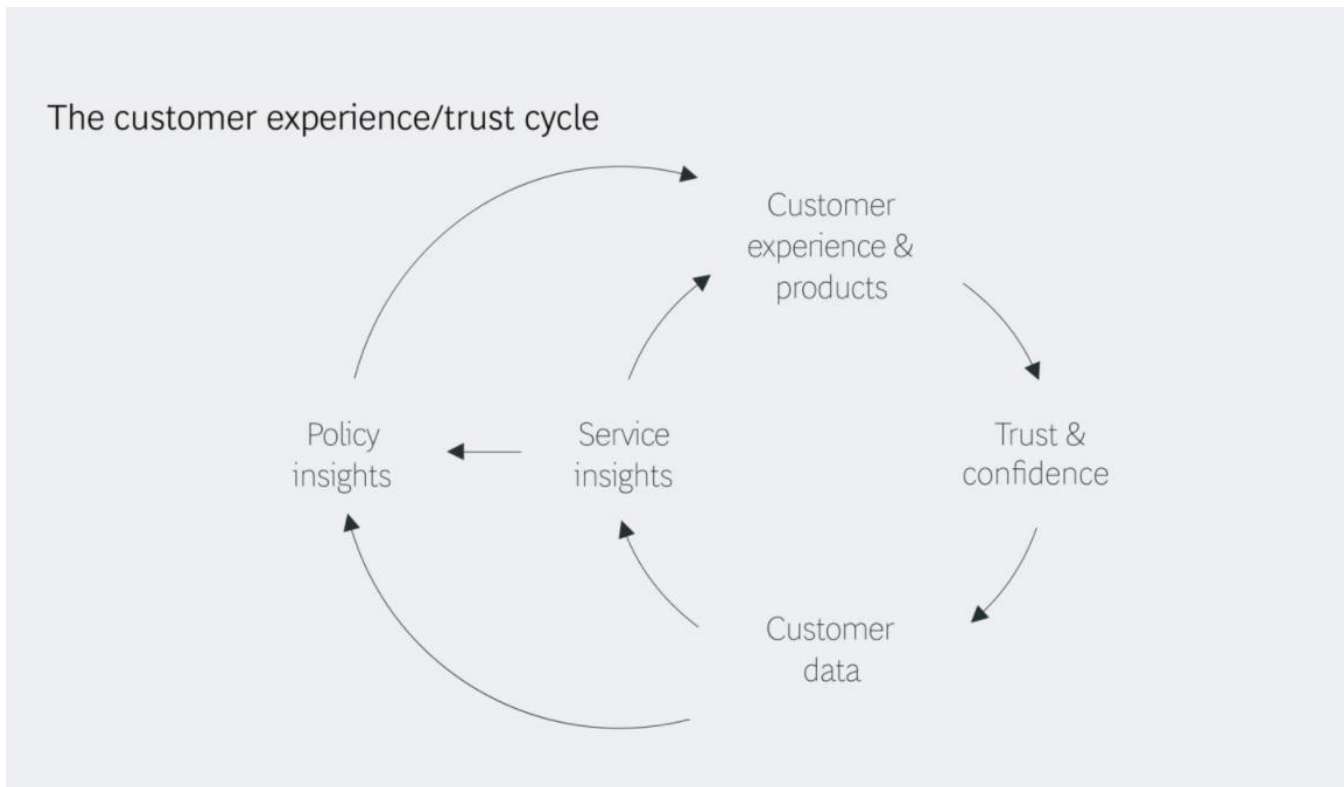
“Given the challenges, it can take many years to fully digitize public services. However, governments can mitigate complexity if they break implementation down into small steps. Ideally, these will start with quick wins to generate momentum. To secure such wins, governments can begin by focusing on the digital front end. Offering services online and simplifying forms (while providing guidance on how to complete them) can provide a significant boost to user satisfaction. Moreover, implementing these changes is relatively speedy and inexpensive. Automation of the back end, on the other hand, requires more time and resources and is thus better suited to a long-term plan.”

Source: [Digital public services: How to achieve fast transformation at scale](#)

### **Better service builds trust in government**

According to a recent study of 24,500 people across 36 countries:

“There are clear links between digital service quality and the overall trust and confidence that customers have in governments. Our research shows that the quality of customer experience directly influences the level of trust in governments by customers. Across the 36 countries surveyed, 87 per cent of respondents said that a great digital government customer experience would increase their degree of trust. Similarly, 81 per cent of respondents said that a negative experience would decrease the degree of trust that they have in that government.”



“When governments deliver poor customer experiences, they face the potentially vicious cycle of increased distrust and a reduced willingness of customers to share personal data. In turn, this restricts governments’ ability to raise customer experience and design effective policies to meet customer expectations.

Governments have the opportunity to close the gap between customer expectations and experience and bridge this trust gap.”

Source: [Public Sector | The Trust Imperative \(bcg.com\)](https://www.bcg.com/publications/articles/2017/06/public-sector-trust-imperative)

### **Moving Guelph beyond the basics**

When it comes to digital service transformation, Guelph has already picked a lot of the low hanging fruit. We’ve done pilot projects, launched several separate online services using several different platforms. While the City celebrates these departmental successes and quick wins, Guelph’s decentralized approach is impeding the ability to design and deliver the services people and businesses expect online, by phone, email or in person.

Without a more customer-focused, performance driven, digitally enabled workplace culture, further efforts to improve customer and digital services are likely to fall short of expectations or fail.

The following excerpt from [Government customer experience: Getting serious](#) explains the stumbling blocks many governments face when moving beyond the quick wins toward more cohesive, customer-focused services.

“It turns out that government customers aren’t so easy to please. While many governments are moving forward with customer experience initiatives, across the globe,

we find that in general private-sector organizations are a lot better than those in the public sector at providing services.”

“Government agencies need to build a holistic view of the customer experience so they can put themselves in their clients’ shoes, understand their journeys as they access services, and figure out what really delights or displeases their customers. The challenges can be daunting.

### **Stumbling blocks**

1. A monopolistic mind-set is a pervasive obstacle. When customers don’t have a choice, it dramatically removes a major incentive for governments to innovate and improve service. It also hampers agencies’ ability to set priorities.
2. Unlike private-sector organizations, government agencies must aim to serve everyone within their mandated mission; they can’t just ignore certain customer segments. This bar for fairness often solidifies over time into a principle of providing one-size-fits-all service.
3. Governments often lack the capabilities needed to assess and address gaps in customer experiences. Those with deep analytics skills, as well as human-centered design skills, are often in short supply.
4. The data that agencies rely upon are typically incomplete or sequestered in silos. Thus, agencies often lack a full, timely picture of the customer’s overall experience.”

“Good outcomes matter to all government leaders, who are typically measured on achieving a mission, staying within budget, mitigating risk, improving employee morale, and earning and keeping customers’ trust. Increasingly, agencies are adding customer experience to this list. But they often view customer experience as a trade-off, and **when the budget season rolls around, customer-experience initiatives starve**. Agencies instead invest in outcomes where they see a clear link to value, such as cost reduction. We see this pattern across countries. Yet good customer experience reinforces the other outcomes, and it is often the key to accelerating and enhancing critical agency outcomes across the board. The lesson: governments need to put the customer at the core of every improvement initiative.”

Source: [Government customer experience: Getting serious](#)

### **Really working together for our future**

Guelph’s own research into digital transformation plans and strategies aligns with the findings and recommendations from other local, provincial, national, and international studies.

A dedicated multi-discipline digital service team was recommended in the Council-approved [Customer Service Strategy Service Simplified \(2018\)](#), and [Guelph’s Digital and Technology Master Plan](#). The [July, 2021 Service Rationalization Report](#) also suggested the City align employee resources to better align with City’s Strategic Plan and direction from City Council, and a dedicated digital service team was recommended again the [September, 2021 Service Digitization Report](#).

The City already has employees with relevant skills:

- Customer service/experience
- Employee coaching, training and development
- Web and digital
- GIS and data
- Continuous improvement
- Innovation
- Procurement
- Performance reporting
- Communications
- Community engagement and user research

The City also recognizes it may need to train or hire for additional skills that current employees may not have. According to the [UK Government Digital Service](#), “a government service needs to have people with the following roles or skills either in the team or available to it:

- product manager
- service owner
- delivery manager
- user researcher
- content designer
- designer
- developer

Your whole team, and in particular your designers, user researchers, content designers and developers, must work together to design, build and iterate a service based on the user needs of the people your service is aimed at.”

Source: [What each role does in a service team - Service Manual - GOV.UK \(www.gov.uk\)](#)

## **Getting the right resources in place**

The pace of Guelph’s progress toward its stated service goals and strategic priorities depends on the City’s ability to bring the right people with the right skills together to support a more customer-focused, performance driven and digitally enabled organizational culture.

**Current approach:** Use a team of existing employees to a cross-departmental customer and digital service steering committee. The committee members are skilled and enthusiastic about improving customer and digital services, but project teams are working separately in several different departments. The committee doesn’t assign or approve work. This approach has not achieved desired results due to competing priorities associated with team members’ permanent roles, and reporting relationships.

To support the culture shift toward a more customer-focused, performance driven and digitally enabled workplace, City staff are considering ways to:

- increase capacity for service and performance improvements
- bring existing customer and digital service projects onto a shared/corporate work plan
- limit potential impact on other strategic priorities

City staff are researching the following options for the Executive Team to consider. Both options will require a change management plan, internal engagement with users, service owners, project teams, leadership, and affected employees.

**Option one:** Add strategic customer service and experience roles and begin building a customer digital service team or division within the organization. This approach would focus on improving alignment and collaboration among departmental teams already working on customer and digital service improvements.

**Option two:** Create a new customer and digital services department division or department, and recruit for all required roles and skills. Even with a change management plan, this option is likely to be a more costly and disruptive approach. As current employees pursue new roles, the City would also need to fill any vacancies created.

### **Financial Implications**

Recommended investments to support ongoing customer and digital service improvement will be presented in the proposed 2022-24 budget.

### **Research and Resources**

[Digital public services: How to achieve fast transformation at scale](#)

[Government customer experience: Getting serious](#)

[Public Sector | The Trust Imperative \(bcg.com\)](#)

[What each role does in a service team - Service Manual - GOV.UK \(www.gov.uk\)](#)

[Service Simplified: Guelph Customer Service Strategy](#)

[Guelph Digital and Technology Master Plan](#)

[City of Guelph Service Rationalization, July 2021](#)

[City of Guelph Digitization and Services Report, September 2021](#)

### **Consultations**

A summary of this report was discussed with the City's Customer and Digital Service Steering Committee, General Manager and Program Manager Web and Digital Services. As noted, further research and consultation is needed to choose the City's preferred approach to future customer and digital service projects and governance.

### **Strategic Plan Alignment**

This work directly supports Guelph's Corporate Values, Vision and Mission, and its strategic goal to improve how the City communicates with residents and delivers service, under the Working Together for our Future pillar.

### **Attachments**

Attachment-1 Improving Customer and Digital Services presentation Nov 1 COW.pdf

### **Departmental Approval**

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