

Best Value For Tax Dollars

Improving Service Quality in the Ontario Government

The Report in Summary

**A REPORT TO THE
ONTARIO PUBLIC SERVICE**

Ontario

FEBRUARY 1992

**Continuous Improvement Services Inc.
and Erin Research Inc.**

FOREWORD

There are few organizations, public or private, who are not involved in an effort to improve service to their customers. The establishment of a committee of Deputy Ministers in 1990, and of the Customer Service Task Force early in 1991, signalled the government's recognition of the importance of improving customer service within our own large and complex organizations in the Ontario Public Service. The Task Force has taken the position that not only is service the most important business of government, but service is everybody's business.

This research project, designed and managed by the Task Force, is in many ways, a groundbreaking initiative. The work has been planned and conducted in partnership with OPSEU and with the approval of Cabinet. For the first time, advice was sought from thousands of Ontario citizens who use provincial services, from public servants who deliver those services - both to the public and to their own colleagues, and from a private sector Think Tank. The information collected contains some plain truths about where our service needs to improve, but we also received some practical suggestions for where and how to focus our plans for improvement.

The Task Force's work is timely. Against the backdrop of economic constraints, multiple demands on resources, and increasing complexity of our services, we must examine our business practices to ensure their effectiveness and efficiency in meeting our customers' service needs. The severity of our current financial situation dictates that we must find more efficient ways of financing our businesses by redeployment of resources, by streamlining of our organizations, and by employing appropriate technology.

Our vision must be to commit to high quality service delivery that achieves the best value for tax dollars anywhere. The leadership challenge to accomplish this mission is large. We must accept it. Ministries and central agencies must work together to set priorities, remove barriers and undertake bold strategies to meet the service expectations of our customers. Ontario's citizens deserve no less.

The research findings point to a need for central agencies to assume a leadership role in creating a practical and flexible approach to organizational change. For ministries, the call is to create and manage their service improvement strategies in full partnership with the Union and with the involvement of all levels of staff, especially those with "front line" responsibility.

Our willingness to change is on the rise. Everyone is talking about service quality. We can accomplish amazing things together. The time is now.

Glenna Carr

Secretary

Management Board of Cabinet

Best Value For Tax Dollars

Improving Service Quality in the Ontario Government

THE REPORT IN SUMMARY

1. THE SERVICE QUALITY IMPERATIVE

Globalization, free trade, world-wide recession and constitutional issues are sending shock waves throughout the Ontario Government. Many of the factors that contribute to these events are beyond the direct control of Ontario. However, provincial priorities and resource redeployment are controllable issues.

Why should service quality be a top priority?

In an increasingly competitive global arena, the quality and value for tax dollars of government service is fundamental to Ontario's economic success. Ontario's ability to attract and retain investment is in part dependent on the quality and cost of government services. The quality of government service is also critical to supporting a high standard of living and social equity in Ontario.

The challenge facing government in a time of diminishing resources and increasing service demands is how to provide better service with fewer resources. The government must rethink its fundamental business assumptions.

Ontario must challenge the beliefs and assumptions created by past success and recognize the new imperatives for change. Both the Public and the Ontario Public Service (OPS) want improvement. The

goal must be to provide better service at a lower cost of delivery; better service will save money by eliminating waste.

2. CUSTOMER SERVICE TASK FORCE BACKGROUND

The Ontario Government established a Committee of Deputy Ministers in the summer of 1990 and the Customer Service Task Force early in 1991 to investigate ways to improve customer service across the OPS.

The mandate of the Task Force is to provide corporation direction and support in order to encourage high quality customer service practices on a consistent and widespread basis throughout the OPS. The Task Force, a corporate project, is headed by the Secretary of Management Board of Cabinet. The membership of the Steering Committee is described on the last page of this report.

3. RESEARCH OBJECTIVES

This research was commissioned by the Ontario Government to determine what the Public and OPS employees think about Ontario Government service generally. The research project was undertaken by two

firms – Continuous Improvement Services Inc. and Erin Research Inc.

The research was designed to provide the Task Force with the following information:

- whether the Public and the OPS hold similar or different perspectives on service quality provided by the Government of Ontario
- the barriers to and opportunities for providing high quality customer service
- a framework for developing strategies that improve service to the Public

The report describes current Public perceptions of services provided directly by the Ontario Government. It does not examine specific services as they are the responsibility of line ministries. The research also does not examine specific service entitlements, policies or legislation. Instead, the purpose of the research is to provide a framework for service quality improvement which can be applied to all services of the Ontario Government.

4. RESEARCH METHOD

The research was implemented through a series of progressive activities: Public and OPS developmental focus groups; a private Think Tank session; parallel surveys of approximately 2,000 members of the Ontario Public and 2,000 OPS employees; and, a series of seven strategy formulation workshops involving all levels of the OPS.

The research assessed Public opinion in relation to those services provided directly by the OPS and excluded those provided by third parties such as hospitals and schools. Four direct service businesses were investigated: Registration, Information, Financial Assistance and Enforcement/Justice. These businesses include most of the direct services of the Ontario Government.

5. KEY FINDINGS OF THE RESEARCH

Overall, the Public ranked the service of the Ontario Government higher than that of the federal

government, but below Canada Post, municipal governments, and three private sector organizations (a department store, bank or trust company, and supermarket).

The OPS accurately anticipated that the Public would rank the Ontario Government this way in relation to federal and municipal governments. Four out of five members of the Public do not believe they are receiving good service value for their money. At the same time, 70% do believe that improving service quality will save money. The OPS agrees with this.

Both the Public (62%) and members of the OPS (77%) agree that service is getting more complicated. Only 23% of the Public and 31% of the OPS believe that service is getting better.

Fast service, number of contacts and cost are the factors that are most strongly associated with customer satisfaction. Those who get service quickly tend to rate government performance on a par with private service providers such as banks and department stores. Those who wait for long periods of time or who require many contacts to get service, tend to rate performance very low. It should be noted that the business of government, which includes such tasks as taxation and enforcement of regulations, may limit customer satisfaction in certain areas.

The Public and OPS rated a set of elements of service including accurate information, knowledgeable staff, and easy-to-understand procedures. The Public and the OPS are in quite close agreement that these elements define important attributes of service quality. On the other hand, members of the Public rate OPS performance on these same elements at 64 out of 100, while members of the OPS rate their own performance at 84.

Does the Public hold unreasonable service expectations that would create this difference in perception of government performance? The answer is clearly no: on a set of 14 measures of promptness and efficiency in service delivery, the OPS set more demanding standards in every case.

The different perceptions of OPS performance are indicative of two fundamental dynamics, first, that the OPS does not fully understand how the Public views

its performance, and second, that internal obstacles can thwart even the best efforts of individuals to deliver good service.

The OPS readily identifies these internal obstacles. The top barriers to providing good service are:

- lack of staff - high workloads
- internal bureaucracy
- lack of financial incentives for good performance
- slow approval processes

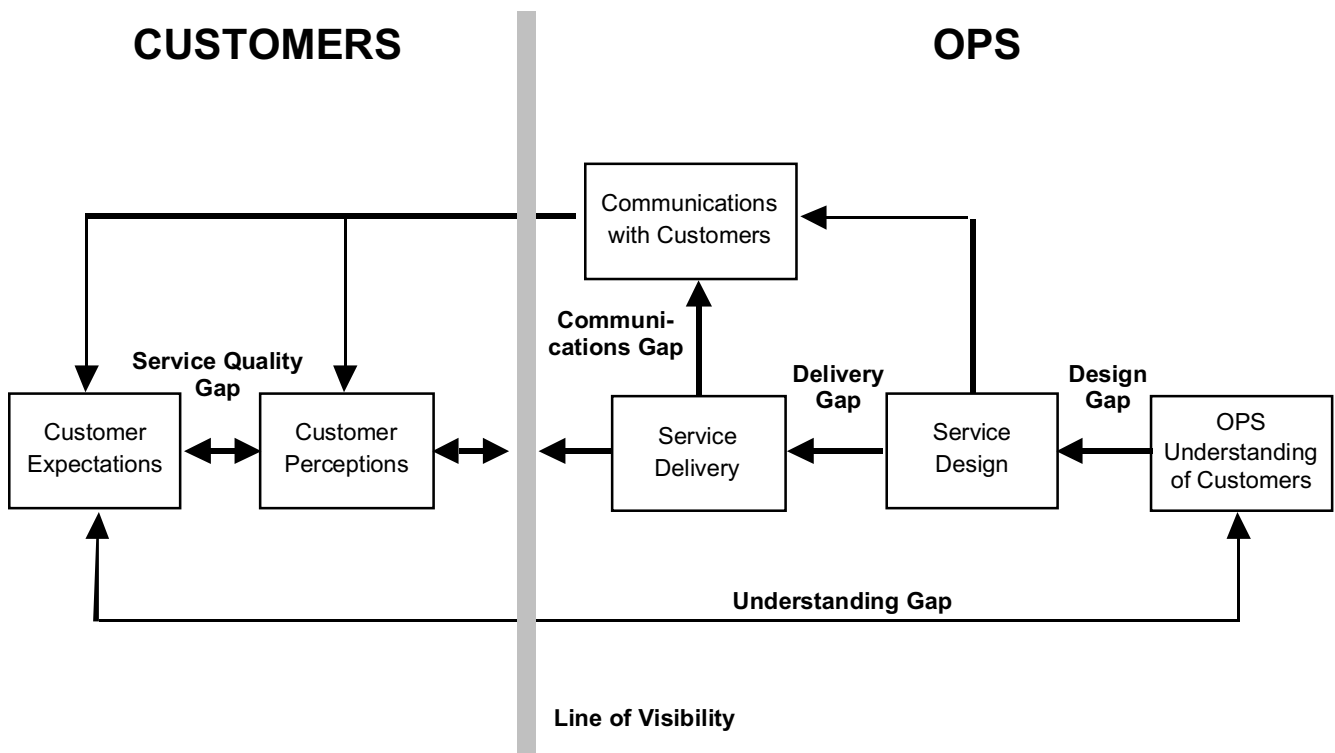
This same set of items, with the addition of greater opportunities for training, are seen to be the best opportunities for improving service. Staff recognize that reducing obstacles such as internal bureaucracy and slow approval processes will reduce workloads, and diminish pressure to increase staff. They also emphasize that recognition and rewards for good

customer service will improve performance and increase efficiency.

6. A SERVICE QUALITY MODEL

The following pages describe a Service Quality Model* and the key strategies to improve customer service in the Ontario Government.

The Service Quality Model consists of five major gaps. The model represents the essential components of the service experience from the customer's perspective and from the OPS perspective. The customer's reality is depicted by the two left-hand boxes, consisting of Service Expectations and Service Perceptions. The OPS's view is summarized by the four boxes to the right: Understanding of Customers, Service Design, Service Delivery and Communication with Customers.



* Adapted from Parasuraman, Zeithaml and Berry (1985)

The two views are separated by a 'line of visibility'. The customer sees little of the 'behind the scenes' processes and policies that affect the quality of service.

Customers readily describe what is important to them and their satisfaction with service but they cannot be expected to know how to "fix the system" behind the line of visibility. Nonetheless, customer observations help identify the most important opportunities and highest priorities for service improvement.

Customers assess service quality by comparing the service they receive with the service they expect. Service quality is therefore measured on two dimensions:

- customers' expectations of the service they **should receive** from the OPS
- customers' perceptions of the service they **actually received** from the OPS

Members of the OPS used the research results and the Service Quality Model to develop strategies that would close the identified gaps. Each of the strategies has been assessed by the OPS Strategy Workshop participants as:

- likely to have a high impact on improving customer service
- requiring few resources, in fact, many should save money
- actionable, in many cases, without delay
- within the control of ministries, for the most part
- having a high likelihood of acceptance because the OPS is ready for change
- reflecting the practices of a growing number of ministries

THE PUBLIC IS NOT GETTING THE QUALITY OF SERVICE IT EXPECTS

The Service Quality Gap is the difference between the Public's expectations of service quality and their perception of OPS performance. Overall, only one in five members of the Ontario Public perceive that they

are getting good value for tax dollars. The Ontario Public perceives the overall quality of services provided by the Ontario Government to be lower than other service providers assessed in the survey with the exception of the federal government.

The Public rates satisfaction with the government's four major direct service businesses - Registration, Information, Financial Assistance and Enforcement/Justice - higher than it rates the performance of the Ontario Government overall. When rating a specific recent experience with Ontario Government service, the Public rates service performance even higher than the four direct service businesses. The more specific the service experience, the higher the performance rating.

The Public sees timeliness, number of contacts, accessibility, reliability, responsiveness and cost as fundamentals of quality service. The factors that most strongly affect ratings of service performance are the number of contacts needed and the time required to complete the service. Customers are "reasonable" in their expectations and they can be satisfied.

Every demographic group within the Ontario population disagrees with the position that Ontario Government services provide "good value for money". The various groups' differ only in the strength of their disagreement with this statement. Those who use government services for personal rather than business reasons rate performance higher, on average, than those who use them for business reasons.

The Public's perception of Ontario Government services varies with age, occupation, income, and urban-rural residency. Older and retired people, those with lower incomes, those living in the North, and Franco-Ontarians tend to be more satisfied with the quality of Ontario Government services. Conversely, business managers and owners, office and factory workers, tradespeople, residents of rural areas (other than the North) and those with higher incomes are least satisfied.

Interestingly, both the Public and OPS agree that "services are not good value for tax dollars" and "improving service quality should save money". The

Public wants improved timeliness, fewer contacts, easier access, greater reliability and more responsiveness at lower cost.

Since a Service Quality Gap exists, the contributing factors need to be addressed. The contributing factors are organized by the Service Quality Model into four remaining gaps:

- Gap in OPS Understanding of Customers
- Service Design Gap
- Service Delivery Gap
- Communication Gap

THE OPS DOES NOT FULLY UNDERSTAND HOW THE PUBLIC VIEWS ITS PERFORMANCE

The OPS Understanding Gap is the difference between Public views of service quality and OPS views about the quality of its own services. The OPS accurately understands what is important to Public customers - OPS External Service Providers do not need to be convinced of the importance of customer service. While the Public and the OPS both agree with the following statements, the OPS holds these opinions more strongly than does the Public:

- services are getting more complicated
- regulations and policies are not applied consistently
- the language in forms and documents is hard to understand
- staff are not properly trained and qualified

It should be noted that these are opinions regarding the government in general, and may involve some degree of stereotyping shared by both the Public and the OPS. However, the Public tends to disagree with the OPS that:

- the OPS treats people equally
- OPS staff are overworked and cannot give customers individual attention

Although the OPS accurately understands how the Public perceives government service as a whole, the

OPS does not accurately understand how the Public perceives specific service experiences. As individuals, members of the OPS consistently over-rate their own performance and that of their work-group by a large margin when compared to Public ratings. The OPS lack objective measures of performance and direct feedback from their customers.

Internal Customers

OPS internal customers and Internal Service Providers rate the importance of 'internal' services in a very similar way. Highest ranked are Information Technology, Human Resources and Policy Formulation Services. Lowest ranked is Accommodation Services. Internal Services tend to be seen as much less important by all OPS.

The importance of the relationship between External and Internal customers may not be understood as only 53% of those who service the Public stated that they also served Internal Customers. Internal Service Providers also consistently over-rate their individual and work group performance and yet are dissatisfied with the quality of service they receive from other Internal Service Providers.

Internal Service Providers see complexity as less of an issue - perhaps because they are the specialists. As well, Internal Service Providers lack direct feedback from customers on service performance.

Strategies to close the Understanding Gap

Get closer to customers. Identify who the customers are and determine the nature of their involvement in the service process. Get customers to define their requirements. Customers relate primarily to those parts of the service process that they experience directly. How quickly can they get what they want and at what cost? Fortunately, as the research shows, the Public is generally reasonable.

Seek direct feedback from customers on OPS performance. Each service unit must identify what is important to its customers and then find the best ways to measure it. On-going measurement and

feedback will enable service units to correct their course by identifying gaps between customer expectations and perceptions of service quality. Customer satisfaction measures should be established for both the process and the output. Measurement of customer satisfaction must be a priority.

Communicate customer-defined standards of quality with the work group. Establishing measures, setting standards, ensuring the system is capable of meeting the standards, and communicating the standards to the Public will be essential to the success of OPS service quality improvement efforts. Standards of service must be specific to each program and its customers rather than centrally imposed. Standards that are centrally imposed become ‘rules’ developed by those who are farthest away from the customer.

Rules become bureaucratic and inflexible. Standards must be dynamic and must change as customer needs change. Each OPS service unit will need to determine the satisfaction thresholds for their customers and set realistic service standards.

As an initial step, set achievable service quality targets. The strategy is to set progressively higher standards until customer expectations are met and costs of delivery are lowered.

Provide timely feedback on performance to staff. Feedback must be constructive and goal-oriented not problem-oriented; it must recognize that people inherently want to do a good job.

Increase the awareness of the importance of Internal Services. Whereas OPS External Service Providers do not need to be convinced of the importance of customer service, the data suggest there is such a need regarding Internal Service. Therefore, programs are needed to heighten OPS awareness of the importance of internal service and its impact on the provision of service to the Public.

SERVICES ARE NOT DESIGNED TO MEET CUSTOMER REQUIREMENTS

The Design Gap is the difference between the OPS’ understanding of their customers and the design of OPS service systems. Key policies and management systems are not aligned to serve customers at either the service unit level or government-wide. The present accountability framework reinforces risk avoidance. Classification, recognition and reward and compensation are not related to service quality. The Surplus List causes extensive delays in filling vacant positions. Financial management practices (Consolidated Revenue Fund) create disincentives for efficiencies and savings by the OPS.

Resources are not deployed to provide the best value for tax dollars. The OPS attributes this to:

- lack of clear priorities
- too many different service structures for customers to relate to
- lack of properly trained staff
- extensive delays in staff replacement
- staff absences (illness, vacation, absenteeism)
- lack of planning for peak workload periods

The major barriers and opportunities to be addressed in service quality improvement as identified by the OPS include:

- lack of staff and high workloads
- slow approval processes
- internal bureaucracy
- lack of incentives for good performance
- lack of staff training

At a general level, these barriers and opportunities are similarly understood by both OPS External and Internal Service Providers and all job groups. The majority of these barriers are viewed by the OPS as within their control. Several fundamental factors need to be addressed in improving service quality such as workload and, therefore, work processes.

Strategies to close the Design Gap

Realign policies and management systems. Key policies and management systems must be aligned to reinforce service quality. Customer service priorities must be clarified. Accountability must be inherent in the job and should promote calculated risk-taking. The OPS needs to declare war on ‘red-tape’. It must strive to eliminate waste in the form of unneeded checks and balances in order to achieve a better equilibrium between controllership and service.

Performance evaluation must be related to service quality at all levels. Compensation must be related to service quality performance. Recognition must be provided for service quality leadership and performance. Classification must recognize customer service functions. Delays in filling positions must be reduced. Financial management policies must be structured to provide incentives for savings by individual services and ministries.

Set priorities and redeploy resources. Resource deployment is a controllable issue. Many of the proposed strategies will not cost money. The OPS suggest that the government set its service priorities and then align its policies and resources with these priorities. Providing better service value for tax dollars is central to the success of Ontario.

The Opportunity Matrix

One tool for assessing resource deployment is the Opportunity Matrix. Customer views of the relative importance and performance of service quality are plotted to reveal sources of opportunity. High value (upper right quadrant) exists where the customer’s expectations about the most important services are matched or exceeded by the customer’s perceptions of performance. Services located in this quadrant may represent opportunities for development, and to learn more about those service characteristics that the Public values.

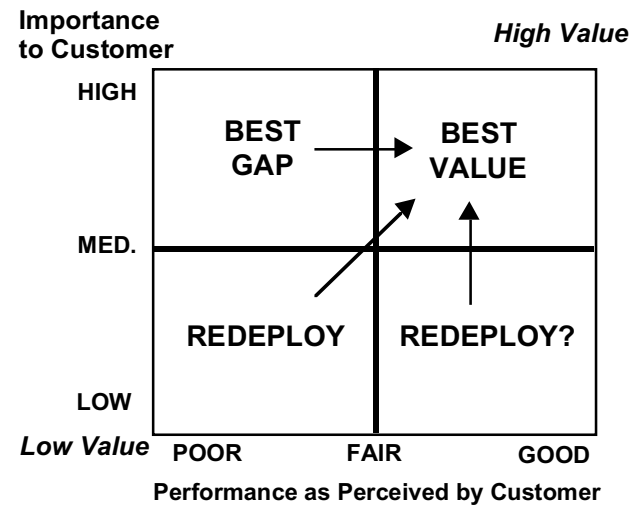
A Service Quality Gap exists when the customer rates the importance of the service high and the performance low (upper left quadrant). This situation

represents opportunities for improvement where they are most needed. If there is a Service Quality Gap in the view of the customer, then it is essential to understand the major contributing factors.

If customers rate the importance of specific services low and performance high, then this may represent a redeployment opportunity (lower right quadrant). In this case, the OPS may be doing a very good job on something that either is not important or that the Public does not appreciate as important. The latter may represent social marketing challenges. Further, it may be that the service is mandated and cannot be redeployed or that the service is of critical importance to the business but not to the customer.

If customers rate both importance and performance as low (lower left quadrant), then this represents opportunities to reevaluate these services for redeployment. If the service is not important to customers and the organization is doing a poor job, the question must be “Why are we spending scarce resources on this service?”

While it is not the purpose of this study to evaluate specific services, the Opportunity Matrix provides a useful tool for the OPS to evaluate its specific businesses and services.



Build partnerships and integrate service delivery structures to improve service and reduce waste. The OPS should decentralize integrated services. The integration of services could begin with co-location. This would improve communication and understanding between service providers and reduce the time and distances involved for customers of related services. The OPS should also redeploy resources to increase front-line staff. To deal with high workloads, service units must reduce volume and service levels by setting priorities. Services must increase staff to approved complement levels by filling vacancies faster and by staffing for peak workloads.

Redesign services processes and cut red tape. Design improvements have been identified by customers primarily in terms of improved access. These include:

- extended hours of operation
- the introduction of automated delivery systems
- the development of one-stop centres
- the use of clear language
- improved telephone services
- improved complaint resolution

Reduce workloads by accelerating approvals and cutting red tape through process redesign. Service quality improvement is a process of eliminating root causes of service quality problems such as those identified by the OPS namely high workloads, internal bureaucracy, and slow approval processes.

One way to begin to address the issue of workload requires analyzing each service process, identifying tasks that add value for the customer and those that do not. The next step involves taking non-value added work out of the service process. It means reducing the number of approvals required, cutting “red-tape”, getting rid of “dumb rules” and eliminating re-work and any form of waste.

In a particular service unit, it may not be worthwhile to improve an existing process. The service unit may have to completely redesign its whole way of doing business. Each service unit must start the analysis

with the definition of customers’ requirements and with the best opportunities for improvement.

THERE IS VARIABILITY IN SERVICE DELIVERY ACROSS THE PROVINCE

The Delivery Gap is the difference between how service systems are designed to operate and how services are actually delivered. Service delivery is seen as inconsistent by both the Public and the OPS. The Public agrees that “Regulations and policies are not applied consistently” and “People in cities get better treatment than do people in towns and rural areas”. More than one third disagrees that “the Ontario Government treats people equally regardless of gender, age, race, culture or disability”.

Services are not subject to the same controls as in a manufacturing process. Unlike manufacturing, services are simultaneously produced and consumed at the point of delivery and therefore quality cannot be assured in advance of service delivery. Services are more difficult to measure and to set specific standards for than manufacturing because of their intangibility. Unlike manufacturing, the Public plays a direct part in the service process and can significantly affect the process.

For these reasons, it is very difficult to separate service processes and outputs in the customer’s perception. For example, customers may perceive service quality as poor if they have to wait a long time even though the information they eventually receive is accurate.

Some variation in service is to be expected and is, in fact, desirable to allow for adaptation to individual and local circumstances. However, a wide degree of variability is cause for concern and may be due to common causes which are within the control of the government to address. The Delivery Gap focuses on factors related to the motivation and management of people within the OPS.

Despite advances in automation and other technological innovations, one of the most important challenges for the OPS is management innovation. An important ingredient in the success of service quality improvement efforts is the change management process itself.

The OPS identified that lack of knowledge, associated with lack of training and experience, were among the top obstacles to service quality improvement. Many are concerned that workers who have the most direct customer contact are the least well-trained and least experienced. Many also expressed concerns about the lack of investment in high quality skills training.

Strategies to close the Delivery Gap

Employee satisfaction is critical to customer satisfaction. The OPS must invest in its people because customer relations mirror employee relations. OPS survey respondents identified that “low morale” was one of the biggest barriers to improved service and one of the best opportunities for improvement. It is almost impossible to achieve high customer satisfaction with employees who have low morale. It is essential to improve employee relations because people will unwittingly treat their customers as they perceive they have been treated by management. Efforts to improve customer service must begin by getting at employee issues.

The OPS is motivated for change. The OPS wants to do a good job but believes “the system” is preventing it. Pride of work and ownership of a job well-done are critical. Increased pride in the quality of work and increased support and recognition from management will lead to improved employee morale. OPS management must pay more attention to the front line. The OPS needs to develop a cooperative, non-confrontational and participative work environment.

Expect cynicism. The current high level of desire for change will erode if management does not live up to staff expectations of change and does not follow through with needed support. Morale and pride are not issues that can be addressed directly. While morale and pride have major impacts on service quality and productivity, they are the result of other factors which must be addressed first. There is a need for a visible demonstration of management commitment by addressing issues of system-wide concern. Management must lead the change process.

Build the customer into performance evaluations. The OPS has already begun to include customer service expectations in Deputy Ministers’ performance agreements. This should be cascaded throughout the organization by building the customer directly into the performance evaluation process.

Recognize and reward service quality. The elements of a job satisfaction include:

- job title
- autonomy – decision-making – empowerment
- variety
- consistency of support from management
- performance evaluation
- recognition
- base compensation and incentives

Make it worthwhile to do it right. The OPS identified lack of financial incentives as a major obstacle to service quality improvement. Compensation should reflect the importance of customer service, recognizing that customer service positions are often the least well-paid. Compensation should include the ability to satisfy the customer. While OPS workshop participants agreed that compensation was important, they also identified that incentives mean more than money and that more money does not necessarily mean higher job satisfaction.

People should be recognized and rewarded for identifying problems and collaboratively developing lasting solutions. Incentives include developing people through methods such as career paths, job enrichment, and developmental assignments. There are many opportunities to provide both formal and informal recognition. While a number of Ministries have begun to provide Customer Service Improvement awards, many members of the OPS feel that there is little recognition or reward for a job well done.

Remove disincentives to improved performance. A number of factors were identified as disincentives to improved service performance. Present accountability policies and systems reinforce risk and responsibility avoidance. Compensation is not aligned with

corporate priorities. Corrective action is not taken with respect to poor performance.

Support and empower employees. “Slow approval processes”, “lack of strong support from management” and “lack of authority to make decisions” were among the top-ranked obstacles and opportunities for service quality improvement. While the concept of empowering employees has received recognition from many organizations as an essential ingredient for improving customer service, it is probably the most difficult to implement. Employees know how to make improvements but management has to provide a structure and process for gaining their involvement and eliciting their suggestions.

Empowerment begins with increasing employee involvement in service improvement processes and empowering staff to resolve customers’ needs at first point of contact. This means building the authority into the job – not just delegating it. Support calculated risk-taking. Coach people in risk evaluation and emphasize on-the-job training rather than control.

Expect resistance to change but not at the frontline. Ensure management’s commitment to service is visible by having senior managers experience direct contact with the Public. Service improvement also requires an information support system for workers to be able to make informed decisions. Improvement demands more than good intentions. Managers and employees need a specific improvement methodology and problem-solving tools.

Train! Train! Train! The OPS Strategy Workshops identified a number of training needs. The most consistently identified front-line training needs include:

- technical/computer
- legislation interpretation
- referral/other ministries services
- courtesy service
- English as a second language

The most consistently identified management and professional training needs include:

- human relations

- self-directing work teams
- team work/participation
- technical competence

Both groups require training in quality improvement methodologies and tools. Personnel should also be cross-trained (that is, trained to perform different functions within a service unit) for greater flexibility. The OPS should also accredit all training in order to recognize the importance of training and to provide incentives for people to continue to be trained throughout their lives.

REALISTIC SERVICE CAPABILITIES ARE NOT ACCURATELY COMMUNICATED TO THE PUBLIC

The Communication Gap is the difference between service as actually delivered and communications to customers about service capabilities. Public expectations are shaped by political messages and news releases, word-of-mouth, past experiences with government and their experiences with private sector services.

Are customers being promised a type or level of service quality that cannot be delivered? Ontario Government communications to the customer about its service capabilities have a significant effect on customer expectations. Unmet expectations will result in dissatisfaction and erode trust in government.

Communications to the Public can also address any special efforts that are being made to improve service quality, and that may not be apparent to the customer. In this way, external communications can affect expectations as well as perceptions of service quality. It is better to under-promise and over-deliver than to create unrealistic expectations and then fail to meet them.

The government does not accurately communicate its service capabilities to the Public. A number of Public information sources are “passive” i.e., the Public must find out about them and contact the information service. At present, Ontario Government services do

not generally communicate service capabilities actively, although some have begun to “promise” response times. Advertising is generally limited to Public Service messages concerning such matters as health, labour, the environment, and the promotion of tourism and the hospitality industry.

In the absence of effective management of Public communications, the Public is left to form its own expectations about Ontario Government service capabilities. The Public is largely unaware of many information sources about government.

Strategies to close the Communications Gap

The OPS must better manage Public communications about service quality. Each service unit must determine what is possible, communicate a realistic service message and then deliver the service as promised. This will require close coordination between communications, operations and human resources functions to ensure that service promises can be kept.

By identifying performance standards, an organization is forced to focus on the customer. Further, by making service promises and then keeping them, the OPS may be successful in re-orienting the customer’s expectations and increasing perceptions of service quality.

Services could offer customers choices, for example, quicker routine, more rudimentary service or slower, more customized service. The OPS can also influence customer expectations by setting target service levels and service packages. Through communications, it may be possible to change customer contact patterns, such as time of day and choice of method (for example, in person or by phone). This demands such alternatives be accessible and effective. In these ways, employee workloads can be redistributed to achieve greater balance and thereby better service.

The OPS can also help to better prepare customers for the service by explaining at the outset the process and requirements expected of the customer. This

information must be readily accessible by phone and mail. It will help to reduce demand for office visits.

7. IMPLICATIONS OF STRATEGIES FOR GOVERNMENT-WIDE CHANGE MANAGEMENT

The majority of the proposed strategies are within the control of OPS direct service businesses. A number are government-wide. On a government-wide basis, Management Board, together with other central agencies, must lead the change-management process. There is great need for leadership, coordination, consistency, and effective communication. Value for tax dollars must be the imperative; it must be reflected in senior decision-making, and it will be tested daily.

The strategies provide a framework for self-assessment by each service unit. Realistically, service quality improvement is an on-going, iterative process. Significant improvement will not happen overnight – it’s a long-term undertaking. For significant gains to occur, the government must make a commitment to:

- create and communicate an Ontario Public Service Vision that values customer service
- lead the change-management process
- align government-wide policies, resources and management systems to support the achievement of the OPS Vision and service quality improvement priorities
- provide a central resource on service quality improvement

The role of central agencies should be to “pave the way and stay out of the way”. Paving the way will require real innovation and creativity in redefining corporate requirements for performance and accountability. While there is a central leadership role, the definition of service quality must take place at the point of contact with customers.

8. SERVICE LEVEL CHANGES WILL BE EVOLUTIONARY

Policy alignment, resource deployment and service design issues are critical to service quality improvement. A great many of the proposed strategies are within the control of the direct service businesses. Services within these businesses are at different stages of development.

Some significant gains have been made, however, changes taking place at the service level will be evolutionary and will represent a series of incremental gains over time.

The strategies are corporate in the sense that they apply to all ministries. However, service quality is not something that can be determined at the corporate level in an organization with services as diverse as the Ontario Government. Standards should be specific to each program to allow flexibility in setting priorities and targeting. There should not be, for example, government-wide standards for response times. Care must be taken to avoid perpetuating a service system which is “rule-driven not customer-driven”.

9. CONCLUSIONS

To date, service design has been largely based on organizational needs, not customer needs. Service quality demands that customer needs drive the process.

A first priority in improving service should be to meet existing customer expectations, which the research has shown are not unreasonable. Ministries and programs should set realistic service-quality targets regarding timeliness, access, reliability and other measures based on the expectations that their individual customers hold. Progressively higher standards can then be set until customer expectations are fully met. It is not sufficient, however, just to set targets; these standards must also be communicated to customers.

Success at the direct service level will require senior management leadership and support. Management commitment to the new order of customer-driven service priorities will constantly be tested, it is easy to revert to old ways.

Senior management must not only set the pace, they must demonstrate a sustained visible, and personal commitment to service quality to others within the OPS.

In so doing, they make it possible for all staff to become champions of quality service. As a customer focus is integrated into both the formal structure of the OPS and into its everyday ethic, the achievement of best value for tax dollars will become a reality.

Customer Service Steering Committee

Chair	Glenna Carr	Secretary of Management Board of Cabinet
	Valerie Gibbons	Deputy Minister, Government Services
	Marilyn Knox	Formerly Deputy Minister, Tourism and Recreation
	Pat Jacobsen	Formerly Deputy Minister, Transportation
	Elsa Thomson	Executive Board Member, Ontario Public Service Employees Union
	George Tough	Deputy Minister, Natural Resources
	Jan Ruby	Assistant Deputy Minister, Customer Service Task Force and Management Policy Division, Management Board Secretariat
	Terry Bisset	Project Director, Customer Service Task Force

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