

STAFF REPORT

THE CORPORATION OF THE TOWN OF COBOURG



Report to:	Mayor and Council Members	Priority:	<input type="checkbox"/> High <input checked="" type="checkbox"/> Low
Submitted by:	Jaclyn Diminie, Manager of Strategic Initiatives /Customer Service Legislative Services Division	Meeting Type:	Open Session <input checked="" type="checkbox"/> Closed Session <input type="checkbox"/>
Meeting Date:	May 15, 2023		
Report No.:	Legislative Services-105-23		
Submit comments to Council			

Subject/Title: Customer Service Strategy and Implementation Plan Final Report Delivery

RECOMMENDATION:

THAT Council receive the staff report for information purposes; and

FURTHER THAT Council receive the final Customer Service Strategy and Implementation Plan for the Town of Cobourg as prepared and delivered by the Customer Service Professionals Network (CSPN), as funded through the Municipal Modernization funding Phase Three (3); and

FURTHER THAT Council direct staff to review the recommendations contained in the Final Customer Service Strategy and Implementation Plan and provide a report back to Council with an implementation program based on available financial and staff resources and corporate priorities.

1. STRATEGIC PLAN

Municipal Council has not yet begun Strategic Planning for the 2022-2026 Council Term. This Customer Service Review Project started during the previous term of Councils under the follow strategic planning objective: Objective #4 – to Improve Customer Service, and the Town of Cobourg Service Delivery Review and Organizational Review recommendations on Customer Service.

2. PUBLIC ENGAGEMENT

The Customer Service Strategy and Implementation Plan was guided and drafted with many steps in engagement by the Customer Service Professionals Network

(CSPN) and municipal staff using the following methods as outlined in the final report:

1. Employee Stakeholder Interviews

- Facilitated virtual 1-hour interviews and group workshops.
- 36 internal stakeholders were conducted with Councillors (previous term and newly elected), Senior Directors, Managers, and Front-line staff.

2. Customer Focus Groups

- Facilitated 60-minute virtual customer focus-groups.
- Four (4) focus groups were conducted that included Business, Tourist, Developer, and Resident groups.

3. Employee Survey

- Deployed a digital Employee Service Feedback Survey for Cobourg Employees.
- Fifty (59) employees participated in the survey.

4. Customer Survey

- Deployed a digital Customer Service Feedback Survey for Cobourg Customers.
- 110 citizens participated in the survey.

3. PURPOSE

The purpose of this staff report is to provide Council with the final Customer Service Strategy and Implementation Plan. This plan is intended to be an actionable guiding document to address service delivery gaps and modernize the way the Town of Cobourg serves its residents and businesses. This report serves as an introduction to the work that has been completed, to provide Council with a final version of the report with research and development completed during the last six (6) months and to provide direction to Staff on bringing back a strategy and implementation plan on next steps and priorities both short term and long term.

4. ORIGIN AND LEGISLATION

In 2019, the provincial government launched the Municipal Modernization Program (MMP), a grant program for eligible municipalities to undertake service reviews or fund strategies to modernize and achieve efficiencies. To be considered for a funding award, the Legislative Services Division submitted a grant application for a third-party review as part of the MMP program being the **Customer Service Strategy and Implementation Plan**.

The project submission to the government was submitted to review and develop the Town's first Customer Service Strategy and to focus on external service delivery and identifying how the Town can fulfill objectives of the Town's Strategic Plan Objective #4 – to Improve Customer Service, and the Town of Cobourg Service Delivery Review and Organizational Review recommendations on Customer Service. Municipal Staff proposed to the Provincial Government that the intention of the project was to pursue the development of a Customer Service Strategy to address evolving customer demands and changing demographics, and to ensure a consistent, optimized, and positive customer service experience. The

focus of the strategy and its development is about quality and how to deliver the best possible service to meet (or exceed) citizen expectations in consideration of available resources.

5. BACKGROUND

In 2021, an Organizational Review was conducted by KPMG who provided comments and a review of Customer Satisfaction at the time. KPMG noted while the Town’s strategic plan identifies improving customer service as a strategic priority (with responsibility assigned to all Departments), it currently does not have a dedicated customer service function (responsibility is currently assigned to Legislative Services) or a formal customer service strategy. In the absence of these elements, the Town does not have established standards for customer service (e.g. Minimum times for responding to client inquiries, minimum satisfaction levels for survey responses), does not track or measure customer service experience and has not revised its processes, internal policies or job descriptions to enhance the importance of and focus on customer service. As a result, there appears to be a disconnect between the strategic importance placed by Council on customer service and the Town’s operational focus on customer service.

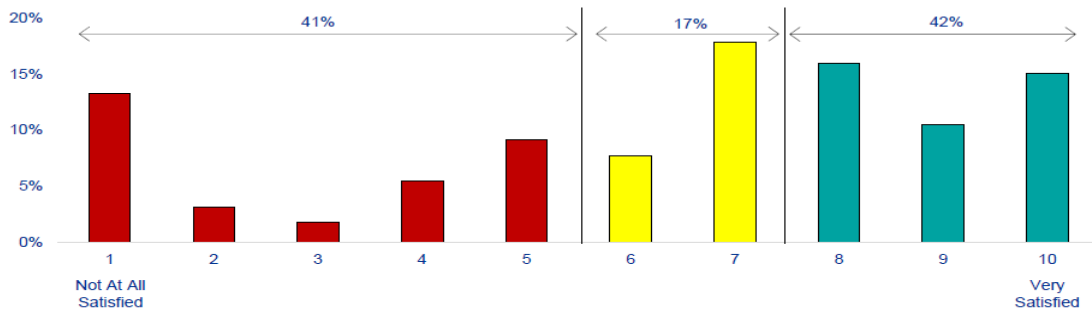
In order to determine residents’ satisfaction with the Town’s delivery of service, the Town undertook an online survey, which obtained responses from 219 residents during the Organization Review Process.

The survey indicated a relative concentration of customer interactions in four (4) main channels – in-person, telephone, email and the Town’s website – which collectively accounted for over 90% of customer interactions.

Accessing Town Services – Use of Channels

	In-Person	Telephone	Email	Social Media	Website	Mobile App	Other
During your last contact with the Town, what channel did you use?	19.9%	28.8%	31.5%	5.3%	12.3%	0.3%	2.0%
What is your preferred method of communication with the Town?	16.3%	29.0%	43.9%	0.5%	8.6%	0.9%	0.9%
Difference between actual and preferred contact channel	3.6%	0.2%	12.4%	4.8%	3.7%	0.6%	1.1%

How Satisfied Were You Overall With the Customer Service Provided by the Town?



As an overall measure of their satisfaction with the Town’s customer service, respondents were asked to rate their experience on a scale of one to ten, with one indicating they were not at all satisfied and ten indicating they were very satisfied. As noted above, the percentage of respondents that indicated they were unsatisfied (five or less) is comparable to the percentage of respondents indicating a relatively high degree of customer satisfaction (eight or more).

In the 2021 report, KPMG noted, based on the preliminary findings related to customer satisfaction, the results of the survey arguably demonstrate a need to focus on enhancing customer service. While this is consistent with the Town’s strategic priorities, they suggested that its attainment is challenged by a number of constraints:

- The Town currently does not have a dedicated customer service function but rather has assigned responsibility to individual departments, potentially leading to a lack of focus or resources due to competing demands.
- The absence of a formal customer service strategy likely reflects, at least in part, the absence of capacity at the senior management level to develop such a strategy.
- At the present time, the Town does not have an individual specifically tasked with customer service and the capacity of the Director of Legislative Services to assume the development of a customer service strategy is limited due to the current assignment of responsibilities to this individual (Legislative Services, policy development, bylaw enforcement, certain elements associated with procurement).
- A key element of a customer service strategy is the incorporation of customer service responsibilities and expectations into employee job descriptions, along with the establishment of employee recognition programs and the consideration of customer service performance as part of annual performance reviews.
- As noted in the 2019 service delivery review, several of the Town’s processes are characterized by operating inefficiencies, potentially leading to increased time for the delivery of municipal services and responding to customer requests.

As part of the KMPG Organizational Review recommendations, the following was recommended as an operational change:

The Town may wish to consider submitting applications under the Municipal Modernization Fund for funding to assist with the implementation of opportunities for operating efficiencies, which could include:

The development of a customer service strategy that addresses, at a minimum:

- The establishment of minimum customer service level strategies and mechanisms for the collection, analysis, and reporting of performance data*
- Strategies for developing an internal culture that places an appropriate focus and importance on customer service.*
- Establishing alternative service delivery channels that respond to changing customer preferences, facilitates access to municipal services and responds to and builds upon changes from the current pandemic.*
- Identifying information technology requirements in support of customer service excellence and other operational changes intended to streamline processes to enhance customer service.*

As a result of the final Organizational Review, Legislative Services Division staff took the opportunity to engage in the Municipal Modernization Funding Stream to develop the first ever Customer Service Strategy and Implementation, but to also review the current landscape of customer service in the Town of Cobourg.

A request for proposal (RFP) was issued in early September 2022 and the Customer Service Professionals Network (CSPN) was awarded the contract in October 2022 and was the successful proponent to deliver this project.

The main objectives as stated in the RFP were to:

- Identify opportunities for increased effectiveness and efficiency in service delivery by conducting a comprehensive review of services offered by the town; and
- Evaluate and develop a customer service strategy with a corresponding implementation plan including targets, timelines, and milestones.

Additionally, expectations pertaining to scope, areas of study and deliverables were detailed in the RFP and are re-stated in the reports attached from CSPN.

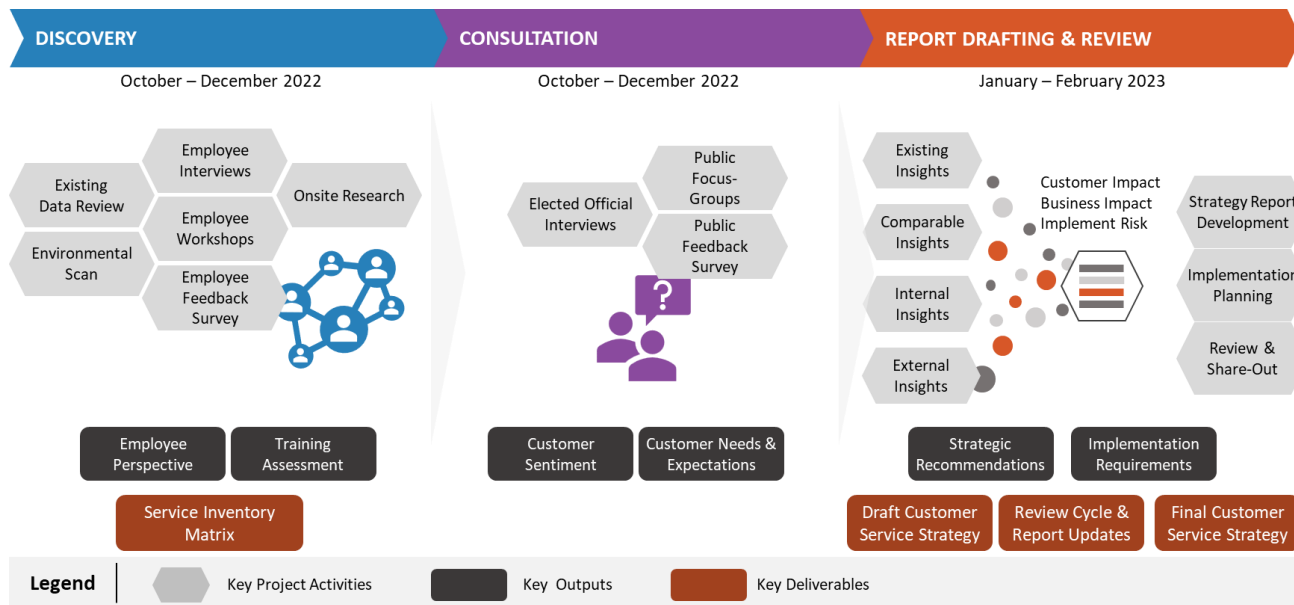
A further component of the scope was to consider connections to other initiatives or strategies. To that end, it was important for the project and consultant team(s) to evaluate:

- Council Strategic Plan
- IT Strategic Plan
- Future of Work
- Official Plan

In the context of the customer service strategy, the above noted areas have had or will have influences on how the town delivers services. Whether it be consideration of investment in technology systems to manage customer

interactions, decisions on possible facility expansion or upgrades, accommodation and trends related to remote work, or changing population, implementation of any recommendations should consider these connections.

In terms of how the project was undertaken and methodologies used, CSPN’s research included internal staff and council interviews with individuals and groups, customer feedback survey and stakeholder focus groups, document/data review and a municipal comparator review (see Figure 1). The resulting work product consists of one report, attached to this staff report: *Customer Service Strategy and Implementation Plan*.



The report details the findings and recommendations and includes customer survey details, service inventory matrix, quantitative data analysis, and comprehensive recommendations list, along with suggestions for governance and implementation planning – a key next step for the organization to advance the customer service strategy. A summary of findings and recommendations are noted below while comprehensive information is found in the attached report.

6. ANALYSIS

Customer service in government matters more today than ever. Residents expectations are growing based on customers’ experiences with private-sector organizations. Increasingly, citizens expect their local government to offer services across multiple channels including phone, email, Web, mobile devices and social media; to be accessible when they want to engage; and offer resolution with only one (1) or two (2) interactions. Better service leads to more empowered and satisfied customers, and more engaged residents.

For government, customer service enhancements improve productivity, minimize strain on resources, and improve employee engagement. In short, modernizing and improving customer service will increase resident satisfaction and enhance the public’s trust and confidence in its local government. The residents and

businesses of Cobourg expect to receive consistent and efficient service that is convenient and easy to access where, when, and how they want it.

Municipal Review

As previously noted, the project has two (2) distinct areas of focus, municipality review and customer service strategy and implementation plan. The municipal service review aligns with objectives of the municipal modernization program and is intended to provide an analysis of existing processes and practices with the aim of making recommendations which have the possibility to achieve cost-savings and efficiencies.

The attached *Customer Service Strategy and Implementation Plan Report* provided by CSPN identifies twenty-five (25) recommendations, which are broken down by department and overall organization.

The reporting also indicates a category for each recommendation and the twenty-five (25) can be summarized as follows:

Category (Type)	Number of recommendations
Customer-Centric Culture	5
Service Policies & Measures	3
Service Operating Model & Delivery	8
Service Technology	6
Service Training & Skill Development	3

Recommendations include an analysis of estimated hours (efficiency) and savings (cost) based on approximate volumes and general processes. The ranges provided in the report provide a starting point for staff to evaluate each recommendation and make a determination of feasibility in terms of implementing any changes or modifications. It is a key next step that staff be directed to review the recommendations contained in the CSPN Report and report back with an implementation proposal which considers impacts and costs (financial and staff resources) to take action.

With respect to the environmental scan and review of comparator municipalities, there is a wide range of practices to consider, and the report highlights this. Customer survey data was also collected in the form of a survey which was open to the public from December 08, 2022, to January 06, 2023. A total of 110 participants completed the survey and the results indicate an overall 47.67% satisfaction with services provided by the town. Complete details including all survey responses are available in the *Customer Service Strategy and Implementation Plan Report*.

Customer Service Strategy

The funding envelope under the MMP provided an opportunity for the town to seek recommendations to address a strategy for customer service. The service delivery review completed in 2021 by a third-party advisor (KPMG) intended to be a starting point for gradual but continuous improvement in customer service and as a result of the recommendations, funding was secured by staff via the municipal modernization program for the development of a comprehensive Customer Service Strategy. In this context, CSPN was asked to provide recommendations for a strategy that would consider results of the municipal review and provide for a scalable implementation plan.

The *Customer Service Strategy and Implementation Plan Report* outlines suggested phases and short/medium/long term activities that span 1-5+years. It is a key next step for staff to evaluate the recommendations contained in the report and come back with an implementation proposal and associated costs in the form of a capital project as required to move forward with proposed actions.

Bolded recommendations represent “Spotlight Recommendations”. These have greater detail than others as per the scope of the project to support the Town in understanding the needs of the recommendation and provide guidance for how they can be executed effectively. Further details into all recommendations can be found within their relative sections of the Strategy attached to the staff report.

Service Polices and Measures:

Spotlight Recommendation: Cobourg’s Customer Service Policy

Service Operating Model & Delivery:

Spotlight Recommendation: Centralized Customer Service Desk

Service Technology:

Spotlight Recommendation: (CRM) Customer Relationship Management System

Service Training & Skill Development

Spotlight Recommendation: Cobourg’s Customer Service Training Plan

7. FINANCIAL IMPLICATIONS/BUDGET IMPACTS

As part of the Municipal Modernization Funding, municipalities were eligible to receive funding up to the full amount of the third-party service provider’s fees to undertake projects to modernize service delivery and identify new ways to be more efficient and effective and to lower costs in the longer term. The Town of Cobourg was successful in receiving \$80,000 as part of the Town’s application for this project. The final cost of the report was \$56,225.00, totally funded through the MMF Stream.

As part of the final Customer Service Strategy and Implementation Plan, it includes detailed information provided throughout the report on the anticipated efficiency and cost savings are “per year” once the recommendations have been

implemented for the Town. In addition to the savings, there are recommendations that include estimated implementation costs, which are one-time costs and some of these costs are recovered throughout the plan through other savings as more recommendations are implemented.

Estimated Efficiency Savings (Hrs.): this figure details the estimated annual reduction in time / effort hours of employees completing service activities.

Estimated Cost Savings: this figure details the associated annual salary / wage costs reduced in relation to the time / effort hour savings.

Estimated Implementation Costs: this figure details the estimated setup costs that require external support or additional resources associated with the implementation of the recommendation. Wage / salary associated with time / effort of employees who would complete recommendations in-house is not considered for the implementation costs.

Below is the table that is used to describe each recommendation.

ID	Recommendation Name	Estimated Efficiency Savings (Hrs.)	Estimated Cost Savings (\$)	Estimated Implementation Cost (\$)
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8. CONCLUSION

A commitment to the implementation of the Customer Service Strategy and Implementation Plan is essential in moving the Town of Cobourg towards becoming an increasingly customer-focused organization. The next steps in the process will be for Council to receive the attached report and direct staff to review the recommendations and report back with proposals related to implementation planning.

The following will provide guidance for next steps:

- Ensure implementation plans are in-step with other initiatives.
- Scale plans to ensure affordability and resource availability.
- Consider change management impacts related to service delivery.

Report Approval Details

Document Title:	Customer Service Strategy and Implementation Plan Final Report - Legislative Services-105-23.docx
Attachments:	
Final Approval Date:	May 5, 2023

This report and all of its attachments were approved and signed as outlined below:

No Signature - Task assigned to Tracey Vaughan, Chief Administrative Officer was completed by workflow administrator Brent Larmer, Municipal Clerk / Director of Legislative Services

Tracey Vaughan, Chief Administrative Officer - May 5, 2023 - 9:08 AM