

## Case Study #4 – SERVICE CANADA

### 1. Background

Service Canada is the result of more than a decade of research and planning aimed at improving service to citizens. Its origins date back as far as 1995 when the Government of Canada website went online – a site for which Service Canada is now responsible. The site was included in a 1999 service improvement strategy that also involved in-person access centres across the country and a one-stop telephone call centre (1 800 O CANADA). The two other central elements of this strategy were *Government On-Line* (using information technology to provide high-level service to citizens) and the *Service Improvement Initiative* (focused on improving citizen/client satisfaction).

On February 23, 2005, the federal government announced that Service Canada would be established as an organization reporting to the Minister of Human Resources and Skills Development and having responsibility for providing single-window service through the in-person, telephone and Internet channels. Service Canada was to take on the service activities of the former Department of Human Resource Development and provide services on behalf of twelve other departments and agencies. It was also announced that Service Canada would gradually take on additional services from other departments. In May 2005, the government approved the overall strategy for Service Canada's implementation, and the organization's doors were officially opened on September 14, 2005. In February 2006, shortly after a change of government, Service Canada was merged into a new Department of Human Resources and Social Development.

The major problem to which Service Canada responds is the greatly increased citizen demand for simple and seamless access to government information and services through a single-window delivery mechanism (one-stop shop). The traditional approach to service delivery in the Government of Canada has been to provide service through many departments, each with its distinct programs and delivery channels. The result was different levels of service for both citizens and businesses and a complex and fragmented array of programs and services. The *Citizens First* national surveys have shown that Canadians want the delivery of government services to be organized from the perspective of citizens, not governments, and they want these services delivered seamlessly across delivery channels and across governments. The challenge to Service Canada is to provide high-quality and efficient service to Canadians through a citizen-centred, multi-jurisdictional and multi-channel delivery system. Part of this challenge is tailoring service delivery to meet the specific needs of such groups of citizens as youth and seniors.

All of these measures are in keeping with Service Canada's transformation objectives and are being pursued within the broader context of the modernizing government movement in Canada

## **2. Organizational Design and Governance Arrangements**

Service Canada is a distinctive hybrid model of service delivery organization. It is a horizontal organization that currently operates within the legislative framework of the Department of Human Resources and Social Development (HRSD). The Minister of HRSD is responsible to Cabinet and to Parliament for the policy and management of Service Canada. Service Canada's administrative head (called a deputy head) is accountable to the HRSD minister for its management and implementation. Government departments are not required to use Service Canada to deliver their services, and it does not have authority to deliver services for the business or non-profit sectors. The deputy head chairs a Board of Management composed of 20 assistant deputy ministers and regional Service Canada heads.

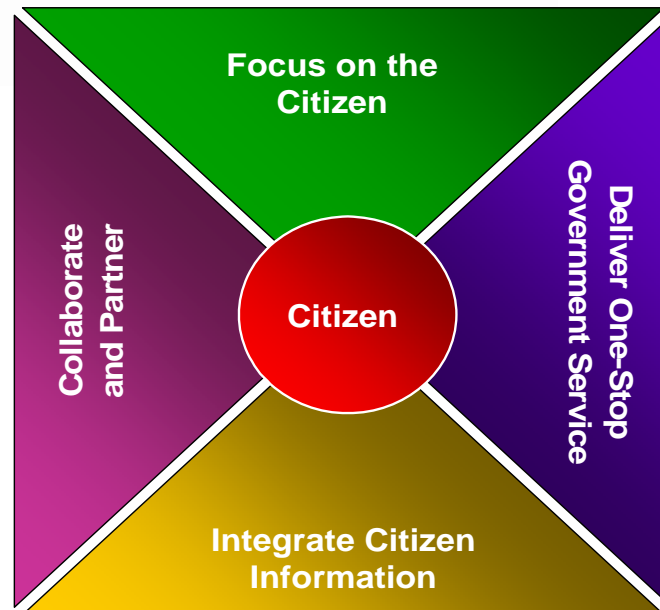
As Service Canada expands its service delivery capacity, it is envisaged that the policy departments for which it delivers programs and services will no longer need to build and maintain separate delivery networks. These departments will be able to concentrate on the development of outcomes-focused policies and programs, while Service Canada concentrates on improving the delivery of programs and services. A strengthened focus on service will help improve the achievement of policy outcomes by better connecting citizens and communities to the services and benefits they need. The information gathered through citizen-centred service delivery is also expected to inform the policy and program development process and to foster a whole-of-government approach to socio-economic outcomes. The creation of Service Canada provides a clear point of accountability for service in the federal government. Departments will remain accountable for the policies and programs under their mandates. Service Canada will be accountable for how programs and services are delivered. Service Canada and its partner departments will share responsibility for aligning policy and service outcomes and will work together to report on and ensure the achievement of these outcomes.

## **3. Business Model**

Service Canada operates according to a citizen-centred business model (see Figure 1) that is the foundation of its ongoing commitment to transform service delivery. Service Canada has moved from the traditional government focus on programs to a focus on citizens. It collaborates with other governments and with a wide range of non-governmental partners, and it has adopted a variety of innovations to improve service delivery while achieving cost-savings. It is also working to integrate citizen information so that government only has to ask the citizen for information once and remembers it for subsequent interactions.

Service Canada puts the citizen at the heart of service design and delivery. It is adopting service strategies to reduce gaps and overlaps in service for Canadians. It is also developing service strategies for groups of citizens, such as families, youth, seniors, persons with disabilities, and Aboriginals, that will inform the process of designing and bundling its service offerings from the citizen's perspective. These service strategies will evolve over time in response to citizens' changing needs and expectations and changes in the portfolio of government programs and services.

Figure 1 – The Service Canada Business Model



1. *Focus on the Citizen.* A citizen-centered organization connects people to the programs, services and information they need, regardless of who delivers them. But it does more than just point to providers of service; it is focused on understanding citizen needs and then integrating and bundling services and benefits to enable real outcomes.
2. *Deliver One-stop Government Service.* One-stop service ensures that government is easy to find, easy to access and easy to deal with. It is about delivering service through an integrated channel strategy, and offering a complete service to citizens at the point of contact in a "one touch and done" approach. This approach also recognizes that service matters to those who deliver it and that these professionals are provided career development and progression opportunities.
3. *Integrate Citizen Information.* Instead of asking for the same information every time a person accesses government and processing this information over and over, a citizen-centered organization asks for the information once and remembers it in the future while enhancing privacy protection, accuracy, and transparency of citizen information.
4. *Collaborate and Partner.* One of the most important elements of citizen-centred service is the need to bring services together in a way that is easy and integrated. This requires extensive collaboration and partnering with organizations working together to leverage their collective potential to create new value for citizens.

### *3(a) Activities and Channels*

#### Activities

Service Canada is the largest and most public face of Canadian government. The scale of its activities can be illustrated as follows:

- it has over 22,000 employees delivering more than \$190 million in benefits each day
- it delivers key national programs, including Employment Insurance, Canada Pension Plan and Old Age Security
- it has 595 in-person points of service across the country reaching 95% of Canadians within 50 kilometers of where they live
- it receives more than 55 million telephone calls each year (that is 80% of all government non-tax related calls)
- it provides electronic services to 2.5 million citizens each week
- it conducts over 500,000 interviews with citizens regarding services and programs each year
- it uses outreach services to serve 250,000 citizens in remote and rural areas.

Service Canada is working with a growing number of federal departments,<sup>i</sup> the majority of provinces, and community partners to bring services and benefits together in a single service delivery network.

#### Channels

As evidenced above, Service Canada operates through all four service delivery channels - the Internet and telephone channels, a large network of service centres across the country, and regular mail. A continuous effort is made to improve the quality of each channel so as to meet citizens' needs.

Service Canada is working towards the integration of channels. Among the benefits of this approach are less duplication of service channels, investments that are more strategic, better management of service infrastructure on a government-wide basis, and cost savings. Substantial savings can even be achieved through rationalization within a single delivery channel. For example, Service Canada's integration of twenty-three call centres across three programs resulted in standardized hours of delivery and the answering of one million more calls with the same resources.

### *3(b) Funding*

Service Canada is funded entirely by an annual parliamentary appropriation, with the very modest exception of its cost-recovery model for Passport Services, replacement of Social Insurance Number cards and the licencing of pleasure craft. Cost-savings of \$292 million were achieved in the first year of operation, in large part by streamlining and automating business processes and from reducing program benefit payments made in error or on a fraudulent basis.

### 3(c) *Human Resource Issues*

A key strategic objective of Service Canada is building a culture of service excellence by supporting its people, encouraging innovation, and building the leadership and capacity to provide citizen-centred service. This objective is being pursued in part by training staff across the country on how to deliver one-stop service, designing a career development program in the sphere of service delivery and establishing a Service Canada College, recognizing service excellence as a key competency for employees, providing an employee award program, developing an intranet site to locate tools and resources for staff in one place, and working closely with unions.

*The Service Canada College* is the organization's national corporate learning institution. The focus is on training service experts rather than program experts. The College is striving to promote a commitment to service excellence by providing high-quality courses with a uniform curriculum across the country, integrating the principles of service excellence into all courses, and giving formal recognition to the role of service providers as a profession and a career in the public service. Full integration of all training activities, not just service training, is in progress.

*The Service Excellence Certification Program* is a learning program that is the cornerstone of the College. It emphasizes the skills and behaviors essential to service excellence. It is based on the five main service drivers identified in the *Citizens First* national surveys, namely, knowledge, timeliness, fairness, outcomes and going the extra mile. The program includes on-the-job coaching and in-class and hands-on instruction. The in-class portion is provided at Service Canada's Regina (Saskatchewan) campus in a building complex that includes a service centre. By mid-2007, about one-half of front-line employees had completed the service excellence program. The intention is to extend service training incrementally to the highest levels of the organization.

### 3(d) *Performance Measurement*

Service Canada has taken several steps to ensure its accountability and transparency to Parliament and Canadians. It has adopted a *Service Charter* that describes the organization's commitment to Canadians with respect to such matters as fair and unbiased service, security of private information and a clear explanation of decisions. A set of service standards describes in specific, measurable ways how the *Charter* commitments will be met in such areas as channel choice and service tailored to citizens' needs. A Performance Scorecard is used to inform citizens as to how Service Canada's performance compares to its service standards. This national scorecard is complemented by a very detailed account - and comparisons - of the service and financial performance of all service centres and call centres. In addition, an *Office for Client Satisfaction* helps to implement the *Service Charter* by receiving, reviewing and acting on feedback, including complaints that cannot be resolved at the local level.

### 3(e) *Use of Information Technology/Web 2.0*

Service Canada's service performance is being improved by a number of technological advances through its Web Channel Office. The Service Canada website receives 22 million visits each year; there is one-click access to 90% of the most requested government programs and services; text-to-speech audio (called "Read to Me") is

provided; and there is an interactive Q&A tool for citizens to discover benefits and programs. The Service Canada web site has been designed on the basis of a survey of what citizens want in terms of a successful outcome, a one-stop source of information, easy-to-find content and easy navigation. A Wireless Portal service is also available. Service Canada has a central telephone service that provides translation in many languages for a three-way consultation at service centres involving the client, the Service Canada agent and the interpreter.

Planning is in progress to take advantage of the new Web 2.0 techniques and technologies to improve service delivery.

### *3(f) Partnerships*

Collaborative arrangements, especially partnerships, have been a dominant feature of Service Canada's creation and development. Its citizen-centred business model was based in large part on extensive consultations and collaboration with several large business organizations that could offer best practices advice based on experience with large-scale organizational transformation (e.g. Accenture, IBM). In addition, Service Canada partners with a remarkable variety of entities – government departments, other governments, labor unions, business firms and voluntary and not-for-profit organizations. As Service Canada assumes the service activities of government departments, it makes partnership arrangements with the departments through memoranda of understanding and service agreements that specify roles and responsibilities and the outcomes and results expected.

As part of its commitment to inter-jurisdictional integrated service delivery, Service Canada partners with provincial governments. For example, the current requirement upon a death in a Canadian family is to notify potentially three different levels of government multiple times. Service Canada is developing agreements with provincial and territorial vital events organizations to simplify the notification process so that citizens only have to notify government once about a death, or a birth, and thereby to stop or begin receiving certain benefits and to connect these events to other service offerings. Service Canada and Transport Canada have successfully partnered with Service New Brunswick. And Service Canada and Service Ontario (the federal government and a provincial government) have reached a high-level agreement to collaborate on the shared delivery of services. Service Canada and the Government of Ontario are offering an innovative, one-stop, on-line process by which parents of newborns can register the birth and get a provincial birth certificate and Social Insurance Number in one application.

## **4. Community Engagement**

Service Canada is developing a Community Engagement program that involves employees working “beyond the office” at the local level across the country by assessing the specific needs of clients in that community, providing information about services to meet those needs and using information about clients for continuous improvement of service delivery approaches and offerings. A major objective of the program is to leverage the federal government's physical presence through its service centres across the country by taking a pro-active approach to service delivery. This will require cooperation, coordination and collaboration with a wide variety of stakeholders in each

community, including in the first stage non-governmental organizations and, over time, business firms, labour unions and provincial and local governments.

## **5. Issues Encountered/Challenges**

### **Governance and Legal Barriers**

The future governance arrangements and legislative status of Service Canada are uncertain. The government has not yet made a final determination as to whether Service Canada will become a stand-alone service agency or continue to operate within the legislative framework of the HRSD Department. If Service Canada were to become a separate agency, it would have the authorities it needs to implement its transformation plans more easily and would be better able to encourage and enable departments to transfer their service delivery activities to it. Any new organizational form will have to balance several governance challenges so as to achieve the best arrangements for carrying out Service Canada's transformation agenda. There is a need to incorporate both vertical and horizontal dimensions of accountability; robust performance management strategies based on integrative results; secure and stable funding for horizontal service delivery; and mechanisms and authorities for ensuring effective partnerships

### **Scarce Resources**

Service Canada has to be careful that it does not take on too many responsibilities too quickly. It needs to ensure that it has sufficient resources to provide the kind of high-quality service that will prompt departments to turn to it routinely for service delivery.

### **Accountability Issues**

Given that Service Canada delivers services on behalf of policy departments, questions have been raised as to who is accountable if something goes wrong. Accountabilities must be carefully spelled out in formal agreements between Service Canada and departments. The specification of accountabilities is even more important in inter-jurisdictional arrangements.

### **Buy-In**

Another challenge is promoting buy-in and understanding of Service Canada's vision by policy departments and adapting Service Canada's private sector model to government realities.

## **6. Critical Success Factors**

1. *Delivering seamless citizen-centred service*

- In-person services have been expanded. New research and mobile services have brought Service Canada staff into communities on a regular basis or to respond to a particular need, for example, if a local plant closes, or there is a natural disaster. On a regular, part-time basis, Service Canada staff travel to communities that do not have an in-person office so that they can learn what services citizens need.
- The service delivery system is designed to ensure a common service experience for all clients, regardless of where they are located. An In-Person Service Experience Model describes the ways in which clients are received and their needs are assessed, how clients flow through the office and interact with staff, how clients obtain the desired services, and how the outcome of the visit is measured and recorded. A consistent look, in the form of a welcoming service-oriented appearance, is being developed for all service centres.
- In response to citizens' desire for improved telephone service, the services of the 1 800 O-Canada line and 23 call centres providing information on major benefit programs have been integrated (135 telephone numbers reduced to a dozen 1-800 numbers).
- Service strategies have been designed to meet the needs of various segments of the population. For example, specialized service centres have been established to deal with the specific needs of Aboriginals.
- The Regina service centre illustrates Service Canada's focus on meeting the particular needs of both individual citizens and groups of citizens (described as client segments). The service centre is physically divided into sections for such groups as families and children, youth, and Aboriginal peoples with the design and décor of the sections tailored to the specific group being served. And in the City of Vancouver, a new program called Multi-Language Extension Services provides information about benefits and services in Punjabi, Cantonese and Mandarin.

## *2. Enhancing the integrity of programs*

- Service Canada is continuously improving its risk management. For example, increased effort is being focused on ensuring that those who should pay employment insurance premiums are doing so, and ensuring that the right social benefits go to the right people.
- Technological improvements have enabled Service Canada to automate more processes, which helps to reduce operating costs, payment errors and fraud.
- Service Canada is working with the Office of the Privacy Commissioner to ensure the best possible protection of personal information.

## *3. Working as a collaborative, networked government*

- Service Canada partners with federal departments and agencies, other governments, and community organizations. For example, it delivers a Foreign Worker program on behalf of the HRSD Department; issues pleasure craft licenses in partnership with the federal Department of Transport and Service New Brunswick; and collaborates with the Province of Ontario and the City of Ottawa in a multi-jurisdictional service centre.
- A Service Canada Voluntary Sector Advisory Committee has been established to provide advice on community partnerships.

#### 4. *Marketing Service Canada*

- A 2006 national survey showed that only a small percentage of Canadians were aware of Service Canada's existence and responsibilities. The survey did, however, show a positive relationship between experience with Service Canada and favourable perceptions of it. Service Canada conducted an extremely successful advertising campaign (using television, radio, newspapers and the main government website) to increase Canadians' awareness of its purposes and activities.

### 7. Next Steps

The next steps for Service Canada include

- constantly adapting and updating its service strategy and range of offerings to keep pace with change, including shifts in citizen expectations and priorities
- continuously developing the governance model, with particular attention to aligning accountabilities for policy and service and to the possibility of utilizing a "stand-alone" model of organizational design
- improving Service Canada's ability to partner effectively across federal departments and with provinces, territories and the private and voluntary sectors
- improving Service Canada's operations across channels and moving towards more integrated multi-channel delivery
- continuing to build the human resource capacity by such means as developing required curriculum/training programs for staff
- clarifying the role and involvement of community organizations (e.g. advisory committees)
- articulating effective feedback and performance measurement mechanisms.

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