Case Study #6 – SERVICEONTARIO

1. Background

ServiceOntario's historical roots go back to the year 2000, when the Integrated Service Delivery Division (ISDD) was created within the Ministry of Consumer and Business Services, (MCBS). The focus of the organization was on working with ministries to develop a multi-channel service delivery system, with particular emphasis on the electronic channel. The involvement of partner ministries was on a voluntary basis.

In 2004, ISDD was renamed ServiceOntario and remained a Division within the Ministry of Consumer and Business Services. At that time, Cabinet designated ServiceOntario as the Ontario Government's primary service delivery provider for services within its scope.

In 2005, Management Board Secretariat and the Ministry of Consumer and Business Services were merged into the newly created Ministry of Government Services (MGS). ServiceOntario became a Division / Program within this new ministry. The Registration Division of the former MCBS also became a part of ServiceOntario. Also in 2005, the government identified ServiceOntario as one of the government's four key "modernization initiatives."

In 2006, Cabinet approved a revitalized vision and mandate for ServiceOntario, which is currently in effect. Key elements of this new mandate include:

- ServiceOntario will be the government's primary public-facing service delivery organization, with responsibility for delivering information and high-volume routine, rules-based transactions to both individuals and businesses

- Ministries will cease providing those services that are delivered on their behalf by ServiceOntario

- Services will be marketed under the ServiceOntario brand that will enforce the delivery of services with service standards, promises and money back guarantees offered for select services

- In managing, operating and continually improving upon an integrated network of public facing service delivery channels comprised of in-person access points (i.e. counters), kiosks, call centre and the internet, ServiceOntario will:

  - Determine which services are offered over which channel
  - Emphasize the migration of services to the e-channel

- Manage the service delivery process on an end-to-end basis, which will entail on-going process re-engineering designed to improve the customer experience, improve operating efficiencies and reduce costs.

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2. Organizational Design and Governance Arrangements

ServiceOntario is currently a program within the Ministry of Government and Consumer Services, (MGCS), which in turn is both a ministry and a central agency of the Ontario Public Service (OPS). As a program of MGCS, ServiceOntario comes under the authority of the Ministry of Government Services Act (MGSA).

Certain amendments to this act that went into force on April 1, 2007 permit the Lieutenant Governor in Council (LGIC) to make regulations under the MGSA to:

> designate a Ministry, part of a Ministry, or any other person or organization as a "Service Provider Organization" (SPO); and

> designate the services that a "Service Provider Organization" is authorized to provide to the public on behalf of Government of Ontario Ministries and other public bodies.

When ServiceOntario provides public facing services, it may be necessary to collect personal information directly from the client and to convey this information to the responsible Ministry or agency for its eventual storage and retention. ServiceOntario does not itself retain any program-related personal information. This service delivery model is known as a "flow through" or "broker model." The Information and Privacy Commissioner (IPC) has previously been consulted on this approach. The Freedom of Information and Protection of Privacy Act (FIPPA) and other statutes will continue to govern the information management practices of ServiceOntario.

Amendments to FIPPA that came into force April 1, 2007 provide a mechanism for a SPO to retain certain 'customer service information' (essentially certain contact information of customers of the SPO, payment information, receipt or transaction number, etc:). The amendments also permit the LGIC to make regulations defining "customer service information" and rules for the handling of 'customer service information." Specific statutes govern certain aspects of business, e.g. Land Titles Act, Vital Statistics Act, etc.

In 2006, Cabinet approved an invigorated vision and mandate for ServiceOntario that effectively stipulates, among other things, that Partner Ministry participation in ServiceOntario is now mandatory.

ServiceOntario is structured as follows:

- Chief Executive Officer – sets overall direction and oversees the daily operations of ServiceOntario

- Operations – delivers services across all channels, and operates six major registration programs (drivers, vehicles, land, vital statistics, corporations and personal property)

- Business Development – plans and implements new service offerings.   Also responsible for key improvements to service delivery, processes and supporting infrastructure.

- Marketing and Business Support – delivers support to ServiceOntario including policy, marketing, issues management, operational support, business planning and strategic planning, financial controllership, employee engagement and leadership development.

ServiceOntario is accountable for service delivery, while partner ministries are accountable for program policy. Formal accountability for ServiceOntario resides with the Deputy Minister of MGCS.

The ServiceOntario Board of Directors is the senior direct strategic oversight body for ServiceOntario, providing strategic advice to the Minister. The purpose of the Board is to provide policy oversight and strategic direction to support ServiceOntario's mandate in alignment with the government's priorities and modernization objectives, as distinct from ServiceOntario's day-to-day operational matters. The inaugural meeting of the Board of Directors was held on October 4, 2006.

The Board is comprised of Deputy Ministers and key corporate stakeholders. Initial membership is drawn from Ontario ministries that have a substantive role in the migration of services to ServiceOntario. These include:

- Ministry of Transportation
- Ministry of Northern Development and Mines
- Ministry of Health and Long-Term Care
- Chief Information & Information Technology Officer & Chief Strategist-Service Delivery
- Associate Secretary of the Cabinet
- Secretary of Cabinet
- ServiceOntario CEO
- Revenue (Commissioner of Revenue)
- Environment

Accountability arrangements are governed by Memoranda of Understanding and Service Level Agreements. The ServiceOntario Board of Directors has also approved an "Accountability Framework" that outlines the roles and responsibilities of ServiceOntario and partner ministries.

The organizational structure of ServiceOntario continues to evolve and roles and responsibilities are regularly reviewed.

3. Business Model

The ServiceOntario business model integrates various OPS functions under a common "retail face", as part of the OPS's move to modernize government and enhance customer service. As functions from various ministries come together, staff from other ministries transfer to ServiceOntario.

ServiceOntario's business model is based on the principle of enhancing customer service, with service and channel enhancements focused on providing a benefit to the customer. These enhancements, in concert with streamlined workflows, allow staff to

work more effectively, increasing customer satisfaction and consistency. This principle is the basis of ServiceOntario's Mandate, Vision and Mission as follows:

Mandate:
ServiceOntario is the government's public-facing delivery organization, with responsibility for:

- Delivering routine transactions to both individuals and businesses
- For these transactions, managing the end-to-end customer experience
- Providing information services for all Ontario ministries and intake and referral services for more complex services within the OPS and on behalf of other jurisdictions

Vision:
Be recognized for meeting or exceeding customers' expectations with our service, solutions, leadership and people - EVERY TIME

Mission:
Working with our partners, ServiceOntario will be the retail experts for government services. By focusing on what is important to our customers, it will be at the forefront of service delivery on behalf of individuals and businesses in Ontario. We will operate as a single, high performing, agile organization with a commitment to excellence, professionalism and results. We will be seen by Ontarians as reliable, constant, trustworthy, cost effective and efficient provider of government services that contributes to the quality of life and economic well-being of Ontario.

Central to achieving its vision is ServiceOntario's customer-centred brand which is predicated on the principles of:

- Strong brand positioning is driven by a customer-centred focus
- ServiceOntario is the place to go for easy access to government services
- Builds recognition, trust, confidence and loyalty with our customers and stakeholders
- Creates a recognizable view of Ontario government service delivery through multiple channels

3(a) Activities, Channels and Migration

ServiceOntario delivers information provisioning and transactional services through four channels: online; in-person; kiosk; and telephone. Not all services are available through each channel.

The services cover six lines of business:

- Personal Property Security
- Land Registration
- Vital Events
- Business

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- Driver and Vehicle
- Fish and Wildlife

Mechanisms used to encourage the use of the online channel are service guarantees, e.g., a 2 day service guarantee for electronic master business licence; and expedited services.

ServiceOntario has built partnerships with the private sector to assist with service delivery, e.g., Teranet provides access to the Ontario land registration system.

3(b) Funding

Most of ServiceOntario's funding is received by appropriation from Government. In addition, ServiceOntario has expenditure recovery arrangements with other provincial ministries and with departments of the federal government. Based on the Allocation for 2007-08, the split between appropriation and recovery is 95% and 5% respectively.

3(c) Human Resources Issues

ServiceOntario is, in a very focused and deliberate way, transforming the organization to support its goal of becoming the Ontario Government's service gateway for service delivery. It is doing this by actively focusing on leadership development at all levels, staff engagement and culture transformation.

Major HR/staffing issues are in the area of recruitment, retention and succession planning. With a large portion of the organization being unionized and process-driven, it is difficult to recruit and retain talent with the speed and success that is necessary in a transformational organization.

ServiceOntario has an Organizational Dynamics Unit with responsibility for developing strategies leading to a high performance organization. Initiatives like succession planning, talent and retention management, recruitment of youth and new professionals, business critical planning, career progression strategy, change and transition management, etc. all form part of HR planning in ServiceOntario. Specific interventions that support training and development, including behavioural training, have begun, and will continue as part of a continuous learning mindset.

3(d) Performance Measurement

ServiceOntario's strategic performance measures system is a set of high-level indicators of the overall "health" of the organization. It is a modified balanced scorecard system that addresses customer satisfaction, employee satisfaction, brand awareness, financial efficiency and business growth, and reports on these regularly via an executive scorecard. The high level indicators are linked directly to the operational performance measures, enabling drilling down to the transactional level when necessary.

3(e) Use of Information Technology/Web 2.0

Information Technology is critical to Service Ontario's success. ServiceOntario relies heavily on information technology to transform its business as well to deliver service and value to the customer, including everything from enabling service guarantees to automating backend processes. What was once a complex service is made available for citizens in the comfort of their own home.

3(f) Partnerships

Reliable, accountable and agile partnerships with external and corporate partners are critical to the success of ServiceOntario's transformation. External partners include, but are not limited to, bargaining agents, public libraries, municipalities, and Service Canada. Corporate partners include, but are not limited to, OPS ministries. As the public face of government service delivery for the OPS, ServiceOntario enters into partnership arrangements with OPS ministries with the aim of clarifying and confirming roles and responsibilities, accountabilities, service standards, etc.   ServiceOntario is effectively responsible for the delivery of services, while the partnering ministry retains responsibility for "program content".

ServiceOntario has successfully, albeit on a limited scale, entered into partnership arrangements with the Government of Canada (Service Canada), and several municipalities. These partnership arrangements have largely focused on developing co-located in-person service delivery.

4. Community Engagement

In Smiths Falls, Halton, Chatham and Simcoe, ServiceOntario has contracted with the local municipalities to run the in-person centres. (Smiths Falls is informational only (i.e. no cash transactions) but the others offer the full range of services.)

Through the availability of public Internet workstations at 390 libraries and at First Nation band offices, the *ServiceOntario at Libraries* initiative extends information and electronic access to citizens and enables self-help and self-directed e-transactions to government programs and services.

From a partnership perspective, much of the work done in the past has been initiated at the regional level. All the regions have been actively involved with the inter-ministry councils as a forum to share information and develop partnerships.

Inter-ministry councils exist where several ministries are located in the same city, e.g. Peterborough or Kingston. They provide a forum for the exchange of information, sharing common issues and the establishment of relationships. As part of their mandate, the councils seek to expand partnerships with municipal and federal governments to improve service delivery.

For every policy or government decision, there are individuals, groups of individuals or organizations who are directly affected by the outcome or otherwise have an interest. Stakeholders may include individuals (citizens); professional associations; businesses/business associations; employers; special interest groups; other levels of

government; other interested parties within the provincial government (other ministries, agencies, MPPs), and other individuals or groups that may be affected by any given government initiative.

Relationships with stakeholders allow the government to explore and test policy options within a small population of individuals bound by a similar interest; discuss competing agendas to reach consensus on a particular issue; and strengthen the relationship between the government and the people it represents by providing participatory forums/mechanisms for input.

Effective and thorough consultation with stakeholders is a key mechanism to ensure fairness, transparency, accountability and due diligence in policy development and implementation. Successful consultations engage stakeholders through an open and accessible process. Empowered with clear information and communications, stakeholders can make important and often critical contributions to the government decision-making process, policy development and/or resolution of issues.

Developing effective stakeholder relationships is not without challenges. Regardless of a common interest in an outcome, some stakeholders may feel their issues are unique and stand above other (conflicting) interests.

Similarly, the relationship between the government and private sector representatives can be tested via manipulation of the stakeholder engagement process: business sector stakeholders may perceive a market advantage in working closely with the government on a particular issue or project and attempt to influence the outcome for their own gain.

Challenges also arise from the privacy sector in that information and related data must be reviewed to ensure compliance with privacy legislation prior to sharing with stakeholder groups; therefore, not all data may be shared with stakeholders, regardless of relevancy.

5. Issues Encountered/Challenges

- Prior to Cabinet approval of ServiceOntario's invigorated mandate, ServiceOntario experienced challenges securing commitment from ministries to have ServiceOntario responsible for service delivery.
- Developing and implementing consistent customer service and continuous improvement processes
- Marketing and branding (internal and external)

6. Critical Success Factors

In developing its strategy, including its vision and mission, ServiceOntario identified six key priorities that are critical to achieving success. These priorities, or critical success factors, include customer centred brand, superior customer service, integrated service offerings, cost effective service delivery, strong partnerships, and high performance organization. The work of ServiceOntario, including any new and existing projects and initiatives, are performed in support of and linking to one or more of these six critical

success factors. Currently, ServiceOntario's annual strategic plan is an example of how vision, mandate and overall strategy for ServiceOntario translate into practical tactical business strategies and priorities. The Performance Development and Learning Plans of ServiceOntario senior management and staff and established key commitments are also positioned in support of these organizational priorities.

The three overriding factors are:

- emphasizing a customer-centred perspective
- engagement of staff
- operational excellence

7. Next Steps

ServiceOntario is currently pursuing:
- a merger strategy with partner ministries with the aim of acquiring, and enhancing the delivery of a critical mass of services.
- the development of an 8 year strategic plan focusing on service and channel enhancements / integration; improving the customer experience; enhancing strategic capabilities; organizational dynamics including staff / leadership development;
- identification of additional services eligible for a service guarantee
- development of an inter-jurisdictional strategy consistent with a recently signed Statement on Collaboration on Public service Renewal and Service Delivery between Canada and Ontario.

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