"Clearing the Path" and the Ontario Business Registration Access Program

The Ministry of Consumer and Commercial Relations
Province of Ontario

Overview

"Clearing the Path" (CTP) is an Ontario government service delivery initiative with the potential to revolutionize the delivery of government services across Canada. Its broad political objective is to streamline and simplify regulatory processes as they pertain to business registration and reporting, and to improve the business climate by making it easier and faster for small businesses to start up and create jobs. On the administrative level, the Ontario government is looking for ways to electronically streamline services to save money.

Ontario Business Registration Access (OBRA) is an integrated one-stop or single-window registration process for unincorporated Ontario businesses. Launched in April 1994, OBRA forms part of the CTP registration and reporting initiative[1] and provides remote and direct access to:

- Business name searches,
- Preparation of applications for business names registration under the Business Names Act,
- Retail sales tax vendor permits,
- Employer health tax applications,
- Workers' compensation applications.
- Applications for health tax for the self-employed.

The "Clearing the Path" OBRA project provides important lessons in alternative service delivery because it illustrates:

- A common vision of client-focused service delivery which can link provincial, municipal and federal jurisdictions;
- An integrated single-window approach to business regulatory processes and services;
- The use of technology as a prime enabler to improve government service delivery;
- The structure and operation of a "virtual" project team.

Clearing the Path and OBRA

- ✔ A strong imperative to reduce costs through downsizing and constraint exists across all levels of government.
- ✔ The constrained fiscal environment in which governments are now operating makes the success of CTP more likely.
- ✔ New technology enables extensive computerization of business processes and the use of advanced applications systems.
- ✔ Now available are electronic information highways, telephone communications, networking systems and "middle" software applications.
- ✔ A sharper client/customer focus to improve government service delivery is a new concept and mega-trend across Canada and internationally.
- ✔ This new client focus represents a fundamental change in the way government does business.

1 Clearing the Path for Business Success", Presentation paper, Ontario Ministry of Consumer & Commercial Relations. October, 1994.

"Clearing the Path" vision implements a focused and efficient regulatory system to support Ontario business and job creation.

The Vision for Single-Window Registration and Reporting

The CTP vision is to implement a focused and efficient regulatory system to support Ontario business and job creation. The vision includes:

- Enabling entrepreneurs to establish and maintain federal, provincial and municipal business registrations, licences and permits through a "single window" registration process;
- A master business licence listing each entry or endorsement;
- Providing a way to consolidate reporting and remitting obligations to government;
- Capturing and transmitting changes in business status to relevant ministries through the "single window";
- Facilitating access to information needed to sustain successful business activities.[2]

Registration procedures occur at the outset of business activities. To assist business people with successful start-up, the OBRA registration process encourages initial research and preparation by providing information on other municipal, provincial and federal requirements, even though these obligations are not yet supported by the CTP initiative. As well, information on support programs and resources is provided.

The reporting element of the vision applies to enterprises already established and remitting taxes. Outreach activities and information on obligations and support resources are not included in the vision for this stage of implementation.[3]

The vision has the following objectives:

- **Accessibility** Government services are readily available, regardless of geography or preferred method of access.
- **Effective Information Exchange** Initiate focused and economical two-way exchange.
- **Efficiency in Processes** Simplify, streamline, speed-up and consolidate registration and reporting processes.
- **Timely and Accurate Service** Trap errors and deficiencies and speed up service.[4]

2 Evans, J.M., Guiding Principles for Developing "Next Generation" Ontario Registration and Reporting Solutions. Business Division, Ontario Ministry of Consumer & Commercial Relations. October 1994, pp. 2-3.

3 Ibid. p. 3.

4 Ibid. pp. 4-5.

Background

The Government of Ontario had been receiving complaints from the small business community about excessive government "red tape" affecting business start-up and regulation. However, when the economy was relatively buoyant, there was no incentive for the government to act.

The recession in the early 1990s provided the impetus for change as some businesses left Ontario to begin operations in jurisdictions with less restrictive and time-consuming procedures. A new generation of more mobile businesses, centred in the knowledge industries and important to the province's economic future, was less tolerant of prolonged and costly government processes. These processes were seen as adversely affecting competitiveness and profitability in the Canadian and global marketplaces.

By 1993, the need to keep these businesses in Ontario made complaints about red tape by the small business community more significant and urgent. More client-oriented programs and higher levels of service were required. In addition, recent technological advances in communications and computer system linkages offered new options. Government also began to view itself as a significant player in the commercial competitiveness of the province. In May 1994, the Ontario Minister of Finance described the need to cut red tape.[5]

In response, the Ministry of Consumer and Commercial Relations (MCCR) created the "Clearing the Path" project and team which began work on the OBRA project in April 1994. CTP was expected to reduce the time and cost associated with business registration. These efficiencies could possibly lead to improved efficiencies in government if the OBRA program provided more accurate, prompt information to government program administrators.

Given six months, the team was asked to design application software for a workstation which would provide direct and remote access to four core registration requirements for provincial businesses. These requirements were business names, retail sales tax, employee health tax and workers' compensation registration.

The team was also asked to launch this initiative in 15 host sites. The project was to ease the registration relationship between business and government and to produce a design concept which would not be restricted by government legislation or statutory obligations. Long-term

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5 Clearing the Path for Business Success. Land Registry Offices Regional Meeting Presentation Paper. Ontario MCCR. May, 1995.

proposals were torecommend future project directions. The CTP Team produced these deliverables by the September deadline.

By July 1995, the CTP team had also accomplished the following improvements and cost-reduction activities:

- Launched workstations at 40 host locations.
- Implemented a combined and customizable registration kit for entrepreneurs not able to get to, or not comfortable with, workstation technology.
- Established a clearing house in the MCCR to process and track all workstation and kit-generated applications through to program delivery ministries and agencies, and to ensure compliance with standards for registration performance.

Current Situation

The Provincial/Federal Linkage

Discussions with the federal government to integrate the federal business number into the OBRA registration program are under way now. By May 1996, businesses will be able to apply to Revenue Canada for a business number though OBRA. Municipal elements will take a bit longer. The CTP Team is currently doing prototyping work with the cities of Gloucester and Windsor.

Other governments may also use the CTP concept, vision and model outside of any partnerships.

All interaction with other jurisdictions is on a co-operative, partnership basis. The CTP Advisory Committee has members from Revenue Canada and expects municipal participation soon. Other governments may also use the CTP concept, vision and model outside of any partnerships.

Results, Benefits and Successes to Date

The Business Division of MCCR has calculated that the OBRA program has saved participating businesses administrative costs of approximately $4.5 million.[6] By December 1995, 41 remote access workstations were offering signatureless, paperless electronic transmission of all Ontario business registration applications[7] with full electronic transmission of data to all relevant government departments and programs.

Business name search and registration, and application submission times, have generally been cut to minutes. The OBRA program currently handles 30% of unincorporated business name registrations with overhead savings of

6 Clearing the Path, Remote and Direct Access to Business Services. Presentation paper. Ontario MCCR. 1995.

7 Clearing the Path Insider's Report, Vol. 1 Issue 6, OBRA. Ontario MCCR. December, 1995.

$1.5 million. With increased deployment of OBRA workstations, the MCCR expects 50% of registrations to be handled electronically by September 1996.

Next Steps

The CTP team is working on the following enhancements to the OBRA project to be completed by May or June 1996:

- Implement Ontario business requests for the federal business number through the provincial workstation and instant business name registration;
- Prepare prototypes of the next generation of combined federal, provincial and municipal business registration processes;[8]
- Have 50 OBRA workstations installed at partner sites;
- Develop other access channels in addition to the workstation;
- Extend OBRA hours of operation.

Implementation of the federal suite, which includes GST registration, set-up for UI and CPP payroll deductions, and import/export permits for Ontario business,[9] is targeted for January 1997, dependent upon Revenue Canada and CTP timing. The CTP team will also deal with government compliance requirements where businesses have missed mandatory parts of the regulatory process, and in particular with taxpayer compliance.

Core Issues

Technology

The Interactive Workstation

The interactive workstation forms the foundation of the OBRA system and is the major innovation in business registration to date. These workstations are located at partner sites, including land registry offices, tax offices, libraries, Canada Post's business centre (London, Ontario), and others. Performance and service quality benchmarks have been established with delivery partners. The tested, easy-to-use interactive software program (written in POWERBUILDER™) enables unincorporated businesses to undertake searches and electronically complete necessary registrations.[10]

The Business/Technical Relationship

The traditional relationship between government ministries and computer technologists produces a high-level definition of what has to be done. The definition is then given to technologists to do the technical translation,

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8 Connecting with Customers — Rethinking Service Delivery. Presentation Paper, Ontario MCCR. November, 1995.

9 Remote and Direct Access to Business Services. Op. cit.

10 Evans, J.M. Clearing the Path for Business Success — Streamlining and Simplifying Government Regulation. Presentation paper, Ontario MCCR. February, 1995.

Both the business team and the technical group must discuss and agree on the business and technical requirements of the project on an ongoing basis.

identify the operational environment for the system and manage the roll-out of the project into the field.

In the opinion of the CTP team, when government is involved in radical changes to service delivery for which technology is the prime enabler, this traditional approach is inadequate. Information technologists should not define the delivery platform, or architecture, in isolation from the business team. The business team needs to know the details of the technical translation and the architecture of the solution. The CTP team, which considers itself a business team, retains the right to discuss the issues and to decide how to proceed. The key element is for both the business team and the technical group to discuss and agree on the business and technical requirements of the project on an ongoing basis.

It is also critical to ask questions about the limitations of currently available technical solutions as they pertain to project requirements. What are the limitations of our current technology and architecture? Knowledge of current technical limitations, and planning to minimize the impact of these limitations, will reduce costly re-engineering and re-purchasing.

A successful partnership between business and technical elements requires the business elements to have as much understanding of the technology as the technical community and its vendors. Limiting government involvement to designing policy frameworks without understanding the technical and operational consequences of these projects will lead to the technical community and its vendors understanding what is happening with the project while the policy-makers and business managers will not.

The Implementation Framework for Business Registration

Design principles guide OBRA implementation. These include:

- **Single-Window Access** A wide range of services available through a single access point.
- **Partnerships and Alliances** Multi-layered government stakeholders and private sector delivery partners. Partners avoid building more bureaucracy and add value to service.
- **Service Standards** Allow tracking of performance and service delivery quality, and trap errors close to source. Standards apply to both processes and transactions, and require methods for remedial action.
- **Customized Processes** A single process which requires client conformity is not acceptable. Processes must be tailored for flexibility to meet client needs.
- **Various Access Options** To match client requirements.[11]

[11] Evans, J.W. Guiding Principles for Developing Next Generation Ontario Registration and Reporting Solutions. Op. cit. pp. 6–7.

Development principles also guide the OBRA project and include test procedures to correct faulty transactions and processes, as well as alternate service delivery options in case of system failure. Development principles must also recognize the long-term nature of the project and protect the scarce human and material resources.[12]

Accountabilities

Legislation

The Business Regulation Reform Act of April 1995 addresses the registration and reporting of business activity. The Act is framework legislation intended to enable future streamlining and simplification of the regulatory process between business and government.[13] Key points are:

1. The Lieutenant Governor may designate specific existing government program legislation, with the consent of the Minister responsible, as subject to regulations which may be made under the Act. Thus, the Act can prevail over roadblocks caused by provisions in previous program legislation.[14]

2. The Act specifically provides for:
   - Unification of reporting requirements;
   - Combined registration forms;
   - A business identifier and integration with the federal system;
   - Use of agents (partners) to deliver services;
   - Use of electronic entries, signatures and unified databases;
   - Payment by credit, and debit or funds transfer;
   - Non-governmental organizations to operate the service;
   - Standardization of filing requirements;
   - Sharing of information;
   - Compensation for errors.[15]

If government wants to apply the single-window concept to service programs, the affected program delivery legislation is designated under the Act. Once legislation is designated, regulations on registration and reporting can be passed under the Act which describe how things will be done in the single-window environment. If those regulations are at variance with the service program legislation designated, the Act prevails.

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12 Ibid. pp. 8–9.

13 Evans, J.M. Streamlining & Simplifying Government Regulation. Op. cit. p. 6.

14 Ibid, p. 6.

15 Ibid, p. 6.

The first regulations under the Act were approved in October 1995. These regulations permitted electronic business registration and reporting procedures, without paper or signatures, for the OBRA project.

The Act is the legislative framework under which the CTP team and the OBRA project are operating. It enables the CTP team to set information and technical standards for government. The Act also allows delivery of other governments' programs and permits federal, provincial and municipal interaction.

Focus groups and surveys of business clients are used regularly.

Planning and Reporting

The OBRA project has stakeholders who are the program deliverers within government; and partners who are the workstation hosts (an organization can be both a stakeholder and a partner); and the representatives of the business client/customer. Focus groups and surveys of business clients are used regularly to receive feedback on recent innovations and the future direction of the project.

The OBRA government stakeholders and CTP team members communicate through four types of committee. These are:

- A steering committee of stakeholder deputy ministers, meeting once or twice a year, to set project deliverables typically framed in a roles-and-responsibilities document;
- A working group of stakeholder assistant deputy ministers (ADMs) meeting periodically to explore issues associated with co-operation and the scope of future deliverables;
- The MCCR Steering Committee composed of the ADM, Business Division (corporate sponsor within the lead ministry); the ADM, Information Technology; the Director, Companies Branch (host of the clearing house); and the CTP Project Executive, meeting regularly to identify priorities and resolve issues pertaining to the development of future enhancements;
- Various working groups focusing on stakeholder and partner issues influencing deliverables, meeting bi-weekly or monthly.

The CTP Project Executive, with the team, is required to develop and submit an annual OBRA work plan to the ADM, Business Division, MCCR. Reaching the targets is important to the project's success. The plan sets out project direction and specifies target dates for new releases to upgrade, enhance and expand the OBRA program. The plan constitutes a contract between MCCR and the Project Executive to meet the dates set for the releases.

Some slippage is built into the plan's timetable to provide for obtaining needed equipment or to accommodate a new direction in technology, should one arise. Events of this nature come to the MCCR Steering Committee for discussion.

Human Resources

The CTP team consists of 25 people: 13 project development staff, nine project production support and three information technologists. The latter two groups are permanently assigned to OBRA and CTP. The development team members are seconded from government departments. The team pulls the best and the brightest together for specified periods of time. The team is also a "virtual" organization; if the development team were collapsed, the services developed would be delivered.

Team members include many with previous project experience. The team operates on an empowered basis whereby members participate in discussion and decision-making. Faith and trust are built within the team and among partners by being consistent over time: doing what they promise to do and delivering on their commitments. In the event of an unexpected change in the external environment, the Project Executive can exercise a veto over the decision-making process.

The Single-Window Hierarchy

The Organizational and Informational "Single Windows"

The organizational single window puts front-line people from different service delivery organizations in the same place. Ideally, the public can deal with four or five programs from one access place through technology. In an informational single-window solution, all information is government-generated and outbound; no information is coming into government.

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Government organizations often approach the single-window concept by implementing it at the organizational or informational levels. Because these solutions do not disturb the back-end processes of government, they are seen as non-threatening to established structures. However, streamlining, simplifying and reducing red tape at the front-end of service delivery without altering the back-end program administrative procedures will not result in change. The administrative bureaucracy must also change.

Since these back-end processes are not committed to change, the concept of placing the needs of the customer/client first is not internalized and the required cultural change does not occur. The single-window concept means that front-end and traditional back-end processes are artificially divided, thereby creating breakdowns in communication and lapses in updating which make these systems error-prone and unreliable.

The Transactional Single Window

In the transactional single window, external information is captured for use in government programs and then transmitted into the relevant program's computers. At this point, the management of these data rests with the government program. A good example of an earlier transactional single window is the Service Ontario kiosks where car licence plates and driver's licences can be renewed.

The true single-window solution is transaction-oriented.

The true single-window solution is transaction-oriented. When this concept is applied to OBRA, the single window deals with multiple registration issues and the information becomes complex. Session times at workstations become longer. The distribution of transactional information to government program areas and its management becomes more complex because the information received has to be disseminated in a more complex and comprehensive way. The OBRA program is a more advanced example of a transactional single window where information is exchanged between clients and government.

The Hierarchy

Government organizations tend to enter the single-window concept of program delivery with an organizational single-window project and then move into a computerized informational one. From there, some will try to move into the transactional model; hence the hierarchical, single-window progression.

The CTP team believes going into the single-window process with an organizational solution and attempting to lay out a grand strategy through an hierarchical approach to the transactional model will likely result in failure. Project management will not know enough to come up with a reliable blueprint for a comprehensive single-window solution.

Organizations which are entering the single-window process at the informational level, in the belief they can evolve to the complex transaction management level, will develop knowledge in handling information which will not necessarily give them a good start in handling transactions. The CTP team believes there is a spectrum within the single-window process, but they are not convinced there is an evolution or continuity from the early parts of the spectrum to later parts.

Key Success Factors

An Empowered Team The CTP team culture enables all members to participate in discussions and decision-making. Opportunities are less likely to be lost and an entrepreneurial spirit is developed.

Selflessness Everybody who joins the single-window process has to be selfless, and not self-serving or stuck in his or her organizational mode. Team members must share a common vision.

Business/Technology Business teams must ask questions about, and understand, the limitations of the technical architecture.

Technology Lifespan If you are in an emerging business project, review your technology and systems architecture every three years, since the average lifespan is five years.

Absorb the Complexity of Other People's Processes Beginning a complex single-window process by first establishing a committee to set standards and then attempting to get everyone to switch their processes and systems over to comply with these standards takes forever. To be operational quickly, absorb that complexity into the solution set and do a whole lot of translations. Unless you can accept things as they are, it will be a long while before you are in business. The CTP team's first decision was to absorb the complexity of other people's processes, allowing the team to have its first product relatively quickly.

Put a Stake in the Ground Deal with others' complexities but once successes occur, the project team has a stake in the ground with some credibility to influence government stakeholder organizations. Not only do you gain credibility, but you start to shift the centre of gravity towards the client service agenda, enabling frequent updates to deliverables. These frequent updates enable progress on a continuing basis, further reinforcing confidence.

Body of Knowledge Use the knowledge and experience associated with driving this stake in the ground to roll out a future strategy and direction with appropriate deliverables. This allows things to be done with some knowledge instead of working only from a conceptual framework.

Pitfalls

> *One of the problems of a successful service delivery project is that its mandate will be expanded to the point where it must become a failure.*
> — CTP team member.

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Policy and Information Technology

People say, "We're going to set the policy framework and then give it to our Information Technology [IT] people to implement the project." Don't do that — you will learn nothing. The framework may not be good enough the first time and the IT people may get it wrong. Everyone will be disappointed with the result and it won't be cost-effective. Business and IT staff must work together throughout the single-window project.

Overwhelmed Site Partners

The CTP team started by putting OBRA workstations into business development offices that offer advice to small businesses and are part of the economic development community. However, registration activity soon overwhelmed the ability of a small staff to give advice and assist with access to the registration workstations. In some communities, registration workstations were moved to another partner more able to absorb the increased traffic; for example, a government office or the public library.

Connecting Single-Window Registration to Business Development Resources at the Community Level

In the early days of the CTP initiative, focus group sessions assessed the impact of the OBRA single-window initiative on small business. The Canadian Institute of Marketing pointed out that most people are not adequately prepared to launch a business. Increasing the speed and efficiency of the registration process can simply hasten failure if the quality of preparation is not improved.

To provide a connection with resources for business development in the community, the OBRA workstation was configured to produce a document at the end of each registration session. This document advises the registrant of the additional preparation work needed to reduce business risk and ensure adequate start-up preparation. The document lists all educational and support resources available at community colleges and other facilities.

Government initiatives need to connect with established community partners who are working with the targeted constituency. Now that CTP has established a connection, which is part of its single-window registration initiative, community organizations are approaching the team with proposals for workstation locations and co-operative staff support.

Lessons Learned

There is tolerance in government for innovative project approaches.

- ✔ Government and Bureaucracy: There is tolerance in government for innovative project approaches to improve service delivery but a fair degree of resistance to moving the lessons learned into the traditional bureaucracy.
- ✔ Political Impatience and Program Implementation: There is enormous political impatience to quickly convert policy ideas into operational forms. However, bureaucracies inhibit this by approaching project development and implementation as they have done in the past. The force of the integrated, client-centred service delivery vision is lost in this environment.

- ✔ Changing Composition of Government Workers: The automated transactional single-window concept will reduce the need for clerical and administrative support in client-oriented, program delivery organizations. An organization building on this concept is moving toward providing government services through a body of technical or professional specialists.
- ✔ Integration: Most businesses operate interprovincially, yet they do not segment their operations into three separate levels to accommodate layers of government. Businesses integrate their operations, and governments should also provide integrated services for their customers.
- ✔ Sharing Information: Project success is dependent on information-sharing. There is a greater ability than ever before to share information globally. Projects now have global imperatives with people sharing large volumes of information around the single-window, client-oriented, service delivery concept.
- ✔ Process Automation: Once out of the learning phase, try to automate the business elements to improve cost-effectiveness, reliability and process consistency.
- ✔ Technical Risk: Technologists often want to reduce risk and make support easier by putting new business visions up on yesterday's architecture, which shortens the operational life cycle of the project. The opportunity for continuous improvement will run out sooner than it should because of the limits of the technical platform and architecture.
- ✔ A Client Priority: What users really like is the geographic distribution and accessibility of the workstations. They do not have to come to Toronto or conduct registrations through the mail.

Summation

Neither the burden of government red tape nor the single-window concept are new. However, Ontario's Clearing the Path and OBRA initiatives are succeeding where previous ones have not. Several factors have contributed to this success:

- A strong imperative to reduce costs through downsizing and constraint exists across all levels of government. Every ministry is facing unprecedented massive requirements to reduce costs.
- The constrained fiscal environment in which governments are now operating makes the success of CTP more likely due to the pressure, motivation and political will to make dramatic changes.
- New technology enables extensive computerization of business processes and the use of advanced applications systems, permitting a successful single-window process.

Ontario's Clearing the Path and OBRA initiatives are succeeding where previous ones have not.

While the OBRA project is still somewhat experimental, the response from stakeholders, partners and client/users is positive and optimistic.

- Now available are electronic information highways, telephone communications, networking systems and middle software applications which link computer systems without costly rebuilding. Three or four years ago, these critical tools did not exist.
- A sharper client/customer focus to improve government service delivery is a new concept and mega-trend across Canada and internationally.
- This new client focus represents a fundamental change in the way government does business. Not only does it offer a political opportunity for elected officials to improve the relationship between government and the private sector, but it makes excellent sense to enhance the business climate, increase employment and leverage the economy.

These factors, together with the CTP vision, the design and development principles, the virtual team and the approach to business/technical relationships, form a layered synergy which the CTP team is using to achieve a new single-window model for government service delivery. While the OBRA project is still somewhat experimental, the response from stakeholders, partners and client/users is positive and optimistic.

Team New Brunswick Trade Assistance

Overview

Seven provincial and federal departments co-operated in streamlining the process of small and medium-sized enterprises (SMEs) applying for export support. The resulting application form can be processed by any of the departments, and support programs will be co-ordinated. The co-ordinating committee is collecting data to test effectiveness.

Case Description

The implementation of the Team New Brunswick Trade Assistance Process began in August 1995. The process is a governmental effort to fully integrate a trade strategy for New Brunswick. It took a year to design around the Team Canada model. The participants were the federal Atlantic Canada Opportunities Agency (ACOA), Industry Canada, Foreign Affairs and International Trade Canada, and Agriculture Canada, together with New Brunswick's Economic Development and Tourism, Fisheries and Aquaculture, and Agriculture.

Despite their enthusiasm, the partners found the early meetings slow as they tried to establish their terms of reference. By late spring 1995, the group was working well together. An all-day brainstorming retreat was organized for ADMs and their subordinates, following which a subgroup organized the ideas. Two subsequent all-day sessions and several meetings of middle managers completed the process.

The process is based on an application form common to all partners. Trained officers in any of the participating departments are able to handle a client's information request or application for support, providing one-stop service without duplications, regardless of who ultimately funds the project.

The process supports a fully integrated federal and provincial international business development strategy, which builds on the earlier separate efforts of the two governments. A tracking system is being developed to measure the effectiveness of the integrated work plans and the funding programs. Operations are boosted by the positive relations that exist between departments as a result of earlier co-operative successes and a receptive private sector that contributed to the work plans.

Team New Brunswick Trade Assistance Process

- ✔ Success will be measured by tracking systems.
- ✔ Seven departments can use a common application form.
- ✔ Staff were trained to provide selected services for all participating departments.
- ✔ Senior and junior managers designed a viable project.
- ✔ Relationships between managers in the departments helped speed development of the project.
- ✔ Private sector involvement ensured the project's usability.

Trained officers in any of the participating departments provide one-stop service without duplications, regardless of who ultimately funds the project.

A receptive private sector contributed to the work plans.

There is a lingering belief that staff in trade-related departments have only limited knowledge about business and exporting.

The initiative progressed through the following stages:

1. **Development of Export Capability Lists**

   Provincial government teams assessed the export capability of 2,300 New Brunswick firms by sector and sorted each sector into three categories: exporting; export potential and domestic (limited export potential). The classifications were then used to identify companies on a proactive basis to improve their export readiness and identify training needs.

2. **Preparation of Sector Profiles**

   Detailed profiles were developed to identify strengths, weaknesses, opportunities and threats for priority export sectors.

3. **Development of an International Business Strategy**

   Each sector team developed a trade strategy that was reviewed by its federal counterparts. Together, they generated an integrated trade strategy.

4. **Detailing of Co-ordinated Work Plans**

   After measurable goals were established, specific activities identified and companies targeted, the preparation of the work plans relied on the export capability lists, sector profiles, integrated trade strategy, the International Trade Business Plan and Export Vision, as well as input from the private sector. The province provided information on company export capabilities while the federal agencies contributed market intelligence and opportunities. In cases of multiple involvement, a lead role and support roles were identified.

5. **Finalization of a "One Stop Shop" Trade Assistance Process**

   Simultaneously, trade funding programs were streamlined to reduce duplication and to better co-ordinate company support internationally. A client now can submit an application for trade assistance at any of the participating offices, giving access to programs such as the Program for Export Market Development, the provincial Trade Assistance Program and ACOA's Marketing Support Program. The process uses a generic application form, an eligibility check list and a tracking form.

6. **Commitment to Staff Training**

   Front-line staff have taken two day-long workshops. The training included export readiness, the role of government, networking and specific program knowledge. Trainees also participated in a case study to determine a prototypical company's export readiness and appropriate government assistance. Departmental experts were introduced to staff. Training had two objectives — cross-training for all programs and the transformation from program provider to service provider. The latter needs clarification: There is a lingering belief that staff in trade-related departments have only limited knowledge about business and exporting. That is not a handicap when dispensing programs according to rigid criteria. When the objective is to help businesses prepare for exporting and to provide them with financial support, it becomes problematic. The case study introduced this objective, and more training along these lines is planned.

Departments will keep their staff supervisory responsibility and authority, but the process as a whole will be judged by the increase in the number of exporting firms and their improved performance, the level of exports and the time reduction in processing service requests. This data will be tracked by a co-ordinating committee.

Committee members report the following six critical success factors:

- A willingness by senior public servants to be part of the process, even when it requires the flexibility to change their work procedures.
- A positive relationship among departments' personnel based on previous inter-department co-operative efforts.
- Knowledge of and respect for each other's needs and resources.
- Active involvement of senior and junior management in developing the process.
- Work by provincial teams in developing sector profiles, on which the committee could build and expedite their efforts.
- A comprehensive training program for participating departmental staff.

In addition, committee members agree that similar efforts in future will be even quicker and easier, and can be applied to areas such as programs for seniors and the unemployed.

Lessons Learned

✔ Knowledge and trust generated by established relationships between individuals in different departments will facilitate co-operative efforts.

✔ Success will come if both senior and junior levels of management want to make a needed service work.

✔ One of the partners was willing to shoulder this burden of implementation.

✔ One-stop access to a program will spread the work load more evenly among departments, reduce duplication and thereby reduce costs while providing better service by simplifying the process for clients.

✔ More comprehensive and early training of staff can make a program more effective.

✔ You can have your cake and eat it too — better service at less cost. The service increase is due to the one-stop shop concept. The savings come from reduced overlap and duplication of programs.

> "Good morning. Can I help you?"
> "I'm not sure. A friend told me I should come down here and find out about how my company can export our services. But when I saw the sign on your door, I thought I must be in the wrong department."
> "I have good news and good news for you. First, this is the right department. Second, there is no wrong department."

Edmonton Business Development Centre

Overview

The Edmonton Business Development Centre grew out of the three-year old Canada Business Service Centre of Edmonton. Designed to be truly integrated, the centre plans to open in early 1996. Memorandums of understanding and tri-level commitments have been exchanged. Legal agreements are now being drafted to formalize these arrangements.

Case Description

The problems we've run up against in this project all revolve around the fact that an inter-government integrated entity runs counter to the mechanisms which governments use to control their activities.
— Gary Webster, ADM Western Economic Diversification Canada

Where on the continuum from co-location to true integration the centre will be positioned remains to be seen. If it goes all the way, as a truly integrated operation with one manager, the centre would be unique. As conceptualized, it is not a co-location approach (colloquially referred to as a "condominium approach"). Rather, the manager will have authority and responsibility for all staff, no matter what department they come from. The manager will hire and appraise performance. As a general manager, he or she will also have authority and responsibility for the centre's performance, from deciding on team-building training to financial management — a true general manager. The centre is also designed to allow for revenue retention. The three levels of government are supposed to contribute "no strings attached" dollars (40% each from the province and federal partners; 20% plus some financial administration for in-kind contribution from the city). Being realistic, the centre's steering committee wants some cost recovery to augment the inevitable future budget cuts.

Budget cuts are remarkable things — bureaucracy's answer to the double-edged sword of gladiator times. An initiative like the centre would never exist if governments had deep pockets. Each department could afford the manicured turf of a solely owned lawn. But after cutbacks, they are willing to share dandelions and weeds just to have some semblance

Edmonton Business Development Centre

- ✔ The Edmonton Centre's predecessor was built on a phenomenally quick start-up effort.
- ✔ Lessons learned in the predecessor experience shaped the current project.
- ✔ The Edmonton Centre is designed to be a truly integrated multi-level project.
- ✔ The evolution to integrated services was propelled by analysis of hard data from the initial project. This represents long-term systemic change to avoid short-term problems and inefficiencies.
- ✔ Legal agreements for the creation of a truly integrated operation present a challenge. It remains to be seen where on the continuum from co-location to true integration the centre will be positioned.

of a backyard. However, budgets can only be cut so much. At some point, the forest will reclaim the back yard. The Edmonton Business Service Centre wants to prevent that. Revenue retention is one way they can.

Origins

The seeds for the Edmonton Business Service Centre were planted in June 1992. Minister Don Mazankowski issued a challenge calling for the Canada Business Service Centre to start by August 1992 — warp speed for any project, public or private. The Edmonton project (there were two others, one in Winnipeg and one in Halifax) was designed as a walk-in, person-to-person service centre. The power of a deadline from a minister who supports it is awesome. The centre opened on schedule. Initially staffed solely with federal employees, it dispensed information and made referrals for clients. A steering committee composed of representatives from 20 federal departments was formed. The staff emphasis was on generalist knowledge and turnaround time for the client. Computers linked to business-related databases were installed. Clients were encouraged to browse as well as talk to officials. In a visionary move, bookshelves were put in a reception area and filled with relevant literature from provincial and municipal departments, in addition to the standard set of federal documentation. Meeting rooms and private offices were made available to clients for quick transactions. Client training sessions were hosted.

Based on good principles of management, measures of the centre's performance were taken. The number and nature of requests were monitored. Soon it became obvious that the type of client should be tracked. Staff were surprised at the number of clients contemplating starting a business — 40%! The federal partners were not prepared to deal with this type of client but the province had expertise in this area. Gradually, the centre built a relationship with the province. Provincial departments held seminars in the centre. Cross-orientation training took place.

Staff were surprised at the number of clients contemplating starting a business — 40%!

Eighteen months after the opening, a consulting team was contracted to evaluate the centre and make recommendations. They looked at the centre's clients and potential clients, the tools the centre had, and its organizational structure. They surveyed previous clients. Their report was very candid and thus very useful.

The report provided a haystack for the proverbial camel's back. Clients deserved a fully integrated centre. As long as staff reported to their respective departments, there could be no unity of purpose. Around that time there was a provincial election. Premier Ralph Klein's campaign of reducing government overlap and duplication provided more straw. Finally, federal ministers had been and still were encouraging provincial links. The back broke.

In spring 1994, federal and provincial officials began looking at joint province-wide service and signed a memorandum of understanding (MOU) outlining their plans, which would begin with a hub in Edmonton. Recognizing the benefits to Edmonton clients, the municipality jumped on board.

The Plan

On September 5, 1995, all three levels of government signed an agreement to co-operate in developing labour force, business sector and community services in Edmonton.

A lease was signed, providing the centre with 25,000 square feet. The Canadian Environmental Assessment Agency will be there. The Chamber of Commerce is being wooed, along with the Women's Enterprise Centre and the Micro-Business Centre being developed by the Mennonite Central Committee.

Six federal, five provincial and three or four city employees will move in. Employees were consulted and put their names forward for the positions. The province has transferred the salaries of their people to the city for five years (after that, their fate will be decided by the city and the centre). The provincial and federal partners have sketched out a plan to set up centres in other municipalities. This will allow for alternate ways to deliver information, but ensure that any provincial resident has the same opportunity to get information. In short, it's all set to go.

Ironically, procedures designed to control and protect some stakeholders have the opposite effect on others.

The Rub

MOUs, plans and good intentions are no substitutes for financial administration acts and collective agreements. Ironically, procedures designed to control and protect some stakeholders have the opposite effect on others. Philosophically, it comes down to, "Who is the client?" SMEs? Taxpayers? Bureaucracies? The answer is, obviously, "All of the above." However, it remains to be seen whether the legal details of satisfying all clients can be worked out.

Critical Success Factors

With success not assured, it might be presumptuous to identify critical success factors. However, to date, a few things have clearly moved the initiative forward.

Highly motivated people supported by political will has to rank high. Add bullheadedness, thick skin and endurance for good measure — but don't forget complementary services expertise among the three levels of government. Finally, make sure all departments are welcome and can get out of the project what they put in.

Pitfalls

Highly motivated people supported by political will has to rank high.

Aside from the emerging legal details mentioned above, there are several things that the project could have done.

When the 1992 centre was announced, there were only two months to make it happen. This was not enough time to give staff the courtesy of advance notice and participation in their relocation. The longer planning stage of the 1996 centre has allowed time to overcome this pitfall. Staff are now actively involved and enthusiastic.

Training of staff was done in a team format. Individuals with specific expertise helped others. This worked well. However, a formal training module before the doors open could have oriented all to the same standards of service. Such training should be repeated to refine standards and provide a refresher. In addition, formal training on new procedures and information would be a useful augmentation to the informal team training. Such formal training should include names and faces of individuals in participating departments who can be called upon to provide insight into the fine details. This would have the spin-off benefit of underscoring each department's role in the integrated project.

Experience shows that a large number of clients know they need something but aren't sure what it is.

A potential pitfall in the integrated centre is the nature of information that can be given by a public servant. Experience shows that a large number of clients know they need something but aren't sure what it is. A form of Socratic method called "light diagnostics" can be used without providing the advice or counsel more appropriately delivered by private sector business consultants. Such "fine-line walking" might make the faint of heart nervous, but it is necessary to fulfill the integrated centre's mandate to serve clients.

On the flip side of this light diagnostics is the customer's reaction to good advice. The reason customers are customers is because they don't know some things about running a business. It follows, then, that they might be poor judges of the value of information given to them. So how does the centre evaluate its contribution if some of its clients can't recognize value when they hear it?

Another potential pitfall is the inherent contradiction between team performance and different compensation packages for the team members. Those involved see partial incentive systems as a way to manage this pitfall.

However, the legal constraints on the degree of integration which can actually be achieved must be dealt with first. The centre's manager will have to juggle five collective agreements covering her staff. Simple matters like scheduling work shifts become complex when the working hours are not restricted to 8:30-4:30 on weekdays. Moreover, day-to-day authority is vested in the manager, but any discipline or termination action must go through the respective collective agreement. Thus, such actions must go back through the respective functional departments. In the author's opinion, this will undermine, if not eliminate, the manager's line authority.

The legal constraints on the degree of integration which can actually be achieved must be dealt with first.

Yet another potential pitfall is the centre's most recent budget. Five positions must be staffed during all open hours:

- The greeter/traffic cop (estimate 120 to 200 walk-ins/day);
- The toll-free business line operator (now getting 100 calls/day with no promotion of this service);
- The information officer (among other things he or she oversees reference books that cannot circulate);
- The computer-room assistant/librarian;
- The operations supervisor.

With extended hours and coverage for coffee breaks and lunch hours, the skeleton staff size is around ten. And that doesn't include anyone to do the light diagnostic counseling (unless the supervisor can handle it). In a well-designed and unencumbered office, the role of the supervisor could be very minor. Even so, the parties making up the budget must realize that more than five persons/week are needed. In the author's opinion, such an idea is not even at the "dim bulb" level among the purse-string holders.

Finally, Edmonton has recently elected a new mayor. While pro-business, he might be anti the parent company of the Business Centre. How this "fan fall-out" gets distributed remains to be seen.

Lessons Learned

✔ Many lessons have been learned from the three-year co-location experience. Most important is the need to get secondment reporting relationships straight before the centre opens. There must be a clear chain of command within the centre or there will be no unity of purpose.

✔ Next, it's impossible to work out all details at the beginning, especially under a short timeframe. Trust will have to carry the day. However, do work out the details as soon as possible in the operation of the project, and then ensure that all stakeholders know what these details are.

There must be a clear chain of command within the centre or there will be no unity of purpose.

- ✔ "Invest in an outside opinion after the first year of performance" might be a framed caveat hung on a manager's wall. It's akin to hanging "There is no place like home" in the manager's house. The candid consultant's report of early 1994 really got the integrated centre's ball rolling.
- ✔ Finally, contrary to many change efforts, in this project, skepticism was strong in the beginning but waned as the centre took shape. As the project unfolded, all participants became believers in its benefits.

British Columbia Government Agents[1]

British Columbia's 60 Government Agents' offices form a decentralized administrative system — unique within Canada — that extends across the entire province, with the exception of the greater Vancouver area and Victoria (the province's two largest cities). The offices, which are part of the Ministry of Small Business, Tourism and Culture, currently deliver services for more than 50 program areas on behalf of 18 client ministries as well as a number of Crown corporations and other agencies.[2]

This administrative system originated long before the recent wave of public sector reform in Canada's westernmost province. In fact, the first Government Agents were appointed in 1858, nine years before Canadian Confederation (British Columbia, then a British colony, joined the federation in 1871).

> Initially, the system was an innovative response to the difficulties of bringing law and order to a scattered population in a remote and uncompromising landscape. It was modeled on similar offices developed for the Indian Sub-continent and former British possessions in Africa where the Government Agent, the Collector and the District Officer, respectively, discharged responsibilities comparable to the British Columbia Agents.[3]

In the 19th century, the Government Agents were Gold Commissioners and, among their other responsibilities, acted as registrars of births, deaths, marriages and voters. Understandably, their functions have changed considerably since then. Yet, independently of their role in service delivery, the agents continue to be seen in part as representatives of the provincial government: "In sixty communities across the province, the Government Agent is, as were their predecessors for more than a century, broadly identified as the officer from whom thousands of British Columbians have sought the various services of the state.[4]

[1] Reprinted from F. Leslie Seidle, *Rethinking the Delivery of Public Services to Citizens* (Montreal: The Institute for Research on Public Policy, 1995), pp. 118–121.

[2] In 1994, the total staff of the offices (fill-time equivalent) was 316 (Educom International Inc., *Government Agents Strategic Directions Initiative: A Report for the Ministry of Small Business, Tourism and Culture*, September 1994, p. 62).

[3] Educom International, *Government Agents Strategic Directions Initiative*, p. 52.

[4] Educom International, *Government Agents Strategic Directions Initiative*, p. 53.

A recent independent study by Educom International[5] divided the Government Agents' present activities into three broad categories:

- *Revenue Services*. The offices carry out a range of transactions that entail the collection of money, including the levying of forestry property and consumer taxes, payments for the Medical Services Plan, and the sale of fishing and wildlife licenses. In 1994-95, Government Agents and "sub-issuers" collected $1.64 billion on behalf of the province through 2.67 million separate transactions.[6]
- *Non-revenue services*. These services include responding to inquiries, resolving problems and passing on information, principally in relation to the revenue services provided by the agents.
- *Administration/community involvement.* This category includes activities not covered by the other two categories, some of which (such as issuing cheques on behalf of ministries) constitute service within the government rather than to citizens.

Although this service delivery network is very well established, it faces some of the same challenges confronting many other public-sector organizations. For example, as a result of the Social Credit government's 1982 spending reductions, staff in the Government Agents' Branch had to be cut by 40%. W.D. Mitchell, formerly the branch's director, recounted that when he assumed that position in 1986, "the branch appeared defeated." An extensive re-evaluation of the organization's purpose and clientele followed, and "[a]ll branch operations were analyzed from the viewpoint of customer service."[7] This led to: the development of a new mission statement; the introduction of computers into Government Agents' office; the location of more offices in "high-traffic retail areas"; the installation of toll-free numbers and answering machines; and new training in "program competencies and customer service skills." In addition, the branch began to survey its staff "on a regular basis and [take] continuous action to improve the workplace."[8]

These changes apparently brought positive results. For example, in 1990, the Government Agents Branch became the first public-sector organization to receive the Quality Service Award given by the BC Telephone Corporation

5 Educom International, *Government Agents Strategic Directions Initiative*, p. 6.

6 The data on 1994-95 revenue and transactions were provided by Ardath Paxton Mann, Director, Client Ministries and Regional Support Services, Ministry of Small Business, Tourism and Culture, communication to the author, October 11, 1995.

7 The previous two quotations are from W.D. Mitchell, "Rebuilding the BC Government Agents'Branch Around Customer Service," in James C. McDavid and Brian Marson (eds.), T*he Well-Performing Government Organization* (Institute of Public Administration of Canada, 1991), p. 69.

8 The preceding account of the changes and the quotations are from Brian Marson, "Building Customer-Focused Organizations in British Columbia," *Public Administration Quarterly*, Vol. 17, no. 1 (Spring 1993), pp. 36–37.

(BC Tel). More recently, the Educom study, which devoted considerable attention to "customer satisfaction" with government agent services, reported the following findings:

- A 1992 survey (carried out prior to the study) indicated that clients were "highly satisfied" with the services provided by Government Agent offices (information and advice, driving licenses and the Medical Services Plan received the highest ratings); clients were also highly satisfied with the "attributes of government agent staff" (friendliness, helpfulness and the ability to answer questions were rated the most highly).
- Respondents to an April 1994 BC Omnibus Survey who had obtained a service from Government Agents indicated they most liked the following: friendly/helpful/courteous service (38%); having received needed information/knowledgeable staff (21%); and quick service (16%). Respondents most disliked: long line-ups/slow service (18%); lack of information (5%).
- In May-June 1994, 299 exit surveys were carried out in 15 Government Agency offices (of varying sizes). Those surveyed indicated high levels of satisfaction with specific services: the combined "very satisfied" and "completely satisfied" responses ranged from 95.5% to 89%. In addition, a majority of responses indicated that Government Agents' services were better or much better than service provided by other provincial governments, the federal government, Crown corporations and the private sector.[9]

These findings demonstrate a high level of satisfaction with the services provided through this single window delivery system. Although the Omnibus Survey results suggest that, for a significant minority, service was not sufficiently prompt, it is particularly noteworthy that a clear majority of those surveyed (51%) found nothing wrong with the service. Nevertheless, on the basis of the surveys and other aspects of its extensive evaluation, the Educom study identified certain problems, a major shortcoming being that "incompatible and out of date computer equipment was...a growing problem from a cost efficiency and effectiveness point of view."[10]

Following the Educom study, a number of major changes have been introduced.[11] A new mandate statement, with six "business principles," was developed. Negotiations with client ministries and agencies were launched in order to arrive at new partnership agreements for the delivery of services on their behalf. These agreement s will include service standards, performance targets and reporting mechanisms acceptable to both sides. While finding

9 Educom International, *Government Agents Strategic Directions Initiative*, pp. 41, 54–56.

10 Educom International, *Government Agents Strategic Directions Initiative*, p. 49.

11 The following account is based on a telephone interview with Ardath Paxton Mann, September 21, 1995.

money for improved information technology was seen as essential, in the present fiscal climate it was considered highly unlikely that Treasury Board would approve new financial or personnel resources. It was finally decided that, for any services added to those the Government Agents currently carry out, costs would have to be recovered from the client ministry or agency. Any additional revenue thus generated will be applied to information technology. In the meantime, a number of steps have been taken:

- With 260 new and reconfigured single window work stations, staff are able to effect all transactions at a single location. Each work station has data base capacity and can also be used for word processing.
- Interactive personal computers were installed in Government Agents' offices, as a pilot project, in fiscal year 1995-96.
- The feasibility of electronic "kiosks" that would deliver certain government services is being considered. This advanced "self help" technology would be used both to provide information and to allow citizens to effect some of the transactions now carried out face-to-face — for example, renewing driving licenses and paying motor vehicle fines or certain taxes.

Clearly, the British Columbia Government Agents system is undergoing a renewal. Not content to rest on its laurels, as reflected in the 1990 BC Tel award and the client satisfaction ratings cited above, it is implementing changes that will further facilitate many transactions. Performance-oriented measures (defined in chapter 1) have been adopted, which should help the organization assess more accurately its effectiveness in serving citizens. Moreover, the organization was undaunted by the difficult fiscal climate: its weathered the 40% staff reduction of the early 1980s and has become more "entrepreneurial" (as reflected in the arrangements for cost recovery of additional services). Central agencies have recognized the organization's leadership in encouraging a "business orientation" and are encouraging its planning for candidacy as a "special operating agency" in the fiscal year 1996-97, with implementation in 1997-98. This structural change could well strengthen the Government Agents' already firmly established service orientation.

Accès Montréal[1]

The City of Montreal's *Réseau Accès Montréal* is composed principally of a network of 13 single window service offices situated in neighbourhoods throughout the city and a complementary telephone information line, *Accès Montréal première ligne*. The network was developed following the election of Jean Doré as mayor in November 1986. Doré had made a campaign commitment to improve the accessibility of the city's administration to citizens,[2] and five committees of city officials immediately went to work to consult residents and develop proposals. It became clear that the work of the various committees was interrelated, and to ensure a more coordinated approach the *Module des relations avec les citoyens et citoyennes*, initially headed by André Huneault, was created in July 1987. The unit's work led to the establishment of the first Accès Montréal offices the following November.

The central purpose of the *Accès Montréal* offices is "to save citizens repeated journeys";[3] prior to their establishment, all the services provided by these offices were available only at City Hall. The offices, which are open from 9:00 a.m. to 6:00 p.m., Monday to Friday, offer the following types of service:

- *transactions*: for example, fines and municipal taxes can be paid and certain permits obtained (e.g., for residents' parking, bicycles and dogs);
- *receiving applications*: a range of applications (e.g., for other permits) that must be processed by the relevant department of the city government can nevertheless be filed in an *Accès Montréal* office;
- *information*: the public can obtain information about the entire range of City of Montreal activities, and can also consult various municipal documents (e.g., city and neighbourhood urban plans).

Accès Montréal première ligne allows Montreal residents to obtain information on a wide range of matters, from their tax accounts and recycling services to leisure activities. The telephone line also allows citizens to pass on comments or suggestions, or file requests or complaints, about any program, activity or service offered by the City of Montreal. There are separate telephone numbers for public works, taxes and general information, as well as for the hearing impaired. Originally, calls were received from 7:00 a.m. to 11:00 p.m., Monday to Friday. In 1993, partly as an economy measure, service was

1 Reprinted from F. Leslie Seidle, *Rethinking the Delivery of Public Services to Citizens* (Montreal: The Institute for Research on Public Policy, 1995), pp. 121–125.

2 On the origins of *Accès Montréal*, see Pierre Niedlispacher, "Accès Montréal: Customer-Driven Municipal Services," in McDavid and Marson (eds.), *The Well-Performing Government Organization*, p. 65.

3 "In Search of Excellence in the Public Sector," *Public Sector Management*, Vol. 1, no. 1 (Fall 1990), p. 5 (this article summarized the missions of the winners of that year's IPAC Award for Innovative Management, in which, as noted below Accès Montréal placed first).

discontinued during the evening hours, when in any case there had been few calls; service is now available between 8:00 a.m. and 6:00 p.m.

Understandably, implementation of such an ambitious single window delivery system presented challenges. One of these was to break down barriers between the various city departments, each with its own specialists. As part of a conscious effort to recruit staff for the new offices from all parts of the administration, a general competition was opened. Some 1,000 employees applied, and about 200 of these were interviewed for the 50 or so original positions. Prior to beginning work in an *Accès Montréal* office, each employee had to undergo 10 weeks of training. This had two principal components: in-depth sessions about the structure of the city government and its full range of activities; and instructions as to how to manage relations with citizens (e.g., providing guidance to those filling out forms, applications, etc; ways of dealing with aggressive visitors). According to Huneault, total quality management principles had an influence on the way management envisioned the role of Accès Montréal staff. Empowerment was a particularly important concept: employees were told that, as part of the process of simplifying relations with citizens, they would have to solve problems themselves and not merely transfer them to others.[4]

From their inception, the *Accès Montréal* offices have proved popular. In 1988, the first full year of operation, 100,000 people visited the offices. This rose to more than 250,000 the following year. By 1993, nearly 309,000 people visited the offices, and staff responded to some 505,000 requests. In the same year, the 35 "social communications officers" providing première ligne service responded to 568,924 calls (an average of nearly 2,200 a day).[5] *Accès Montréal* won the Gold Award (first prize) in the 1990 Innovative Management competition of the Institute of Public Administration of Canada (IPAC), on the theme "service to the public."

The success of this innovation was further confirmed in a 1992 survey of 400 Montrealers who had recently used the city's public services, including those available through *Accès Montréal* offices. Among the findings were the following:

- Over three-quarters of respondents (78%) indicated that they were satisfied with services provided by the City of Montreal (the "highly satisfied" and "quite satisfied" responses were combined). Of those who had obtained a service at an *Accès Montréal* office, 95% said they were satisfied with the service.

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4 The preceding account of the implementation of *Accès Montréal* is based on a telephone interview with André Huneault, formerly Assistant directeur, Service de la planification et de la concertation et responsable du Module des relations avec les citoyens et les citoyennes, December 8, 1994. Huneault noted that managers were influenced by the concept of total quality management but did not use the expression (in French, "qualité totale") as such.

5 Module des relations avec les citoyens et citoyennes. "Réseau Accèss Montréal," November 1994, p. 4.

- Respondents who indicated that they were not satisfied with services provided by the City of Montreal nevertheless expressed a high level of satisfaction (91%) with services from *Accès Montréal* offices.
- Almost two-thirds of respondents (60%) reported never having gone to the downtown offices of they City of Montreal to carry out their transactions with the city administration; 86% of these respondents were satisfied with services provided by the City of Montreal.[6]

Citizen reaction was further assessed through a series of six focus groups organized by a marketing firm in different parts of Montreal (also in 1992). According to the ensuing report, the concept of the *Accès Montréal* offices was "unanimously perceived" as a way of making the city administration more visible and more accessible to citizens in their own neighbourhoods. The quality of service was generally commended. However, there were comments that the high number of people visiting certain offices was causing delays in responding to inquiries. In addition, some participants said that the services of *Accès Montréal* offices and even their existence were not sufficiently known.[7]

Information technology has played a major role in the development of the *Accès Montréal* network. From the outset, staff in the offices had computers with access to databases in various city departments. Terminals were installed in the *Accès Montréal* office at City Hall to allow business clients such as real estate agents and notaries to consult databases comprising tax and assessment rolls by computer. In 1991, in response to growing demand, particularly on the part of real estate agents, personal computers were installed in all *Accès Montréal* offices to allow these clients enhanced access. In 1994, this service was further expanded: users with a modem linked to their computers can consult the databases from their office or home. As for the general public, in October 1995 a new interactive telephone information line was approved. Citizens will be able to select from a number of pre-recorded messages that will be changed regularly to reflect questions expected to arise most frequently — for example, after a significant snowfall, a message providing the removal schedule will be available. The interactive line will operate 24 hours a day.

Accès Montréal is a highly successful example of a single window service delivery system that has built on its initial achievements (as reflected in the 1990 IPAC award) in a number of ways. Progress has been made in encouraging a service-oriented approach, although, in their relations with other parts of administration, *Accès Montréal* employees apparently still encounter a culture

6 Service de la planification et de la concertaion. Module des relations avec les citoyens et les citoyennes. *Étude quantitative auprès des citoyens et citoyennes sur la décentration des services municipaux de première ligne de la Ville de Montréal*, October 30, 1992, pp. 4–5.

7 Ad hoc marketing, *Étude quantitative auprès des citoyens et citoyennes sur la décentration des services municipaux de première ligne*, September 29, 1992, p. 6.

that is less inclined toward this orientation.[8] Considerable importance has been paid to assessing citizen satisfaction (one of the performance-oriented measures discussed in chapter 1). For example, in line with the findings from the 1992 focus groups, but also as a result of greater efficiency in processing requests, changes were introduced to allow a greater number of service transactions to be carried out in the offices. This expansion of the "transactional" role of *Accès Montréal* offices is also consistent with the commitment of Mayor Pierre Bourque (who succeeeded Jean Doré in 1995) to bring the city administration closer to the population. Moreover, service has been enhanced despite Bourque's objective to reduce by some 2,000 the total number of city employees.[9] Finally, information technology has been central to the initiative, and growth and adaptation continue. It is clear, however, that the face-to-face contact with Accès Montréal staff that Montrealers now enjoy, and value, in their own neighbourhoods.

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8 As observed by René Therrien, Assistant-directeur, Service du secrétariat administratif, Module des relations avec les citoyens et citoyennes, Ville de Montréal, in an interview, January 5, 1995. Information on recent developments reported in this paragraph is from a subsequent telephone interview with Therrien (October 3, 1995).

9 Claude-V. Marsolais, "Montréal crée un service de relations avec les citoyens," *La Presse*, August 8, 1995, p. A2. Bourque's interest in the city government's relations with citizens was also reflected in the decision to update the "Module" of which *Accès Montréal* is a part to a "Service."

POLARIS Strategic Alliance and Ontario Land Registration

Overview

Ontario's land registry systems had remained virtually unchanged for 200 years, dating back to the Registry Act of 1795 and the Land Title Act of 1885. Both registries were labour-intensive recording systems that required the storage and retrieval of paper-based indices, registers and original documents and plans. By the 1970s, with ever-increasing volumes of information to be recorded and kept on file, it became clear that the systems needed to be automated.

In 1979, after the successful run of a pilot project, the Ministry of Consumer and Commercial Relations (MCCR) launched the Province of Ontario Land Registration and Information System (POLARIS).

Case Description

POLARIS consists of two databases:

- A title index, which includes land registration indexes organized by property ownership.
- A mapping database of properties, which includes survey information, property boundaries and a unique system of property identification numbers.

POLARIS gives lawyers, engineers, urban planners, the real estate industry, financial institutions and many other users the means to access text, documents and maps of Ontario's landbase.

POLARIS gives users the means to access text, documents and maps of Ontario's landbase.

The Birth of an Idea

Seeing the potential of POLARIS, several private firms made unsolicited proposals to MCCR, wanting to take part in what promised to be a huge undertaking. The paper records for four million separate parcels of land had to be digitized. This would take an estimated eight years, cost $300 million and require the efforts of about 600 people. Upon completion, however, the databases would undoubtedly be a lucrative asset.

As discussions continued, the notion of a private—public partnership began to emerge. After much study and negotiation (and the surprise election of the New Democratic Party on September 6, 1990), a master agreement was finally signed to establish a strategic alliance between the Ontario government and the Real/Data Ontario Inc. (RDO) consortium.

How the Alliance Works

The resulting strategic alliance, Teranet Land Information Services Inc.,[1] began automating 200 million pages of information. Wrote one observer:

> Teranet delivers a range of enhanced services across a spectrum of clients. In the future, remote search and registration services will mean that lawyers will not have to travel to a land registry office to search records and register documents. Real estate brokers and appraisers will have accurate, timely information at their fingertips. The digital property map will be the basis for a broad range of planning, routing, administration and facilities management applications.... Teranet will create a province-wide geo-referenced data utility serving a wide variety of public and private sector markets.[2]

The Government of Ontario continues to own the databases and provide land registration services through its network of Land Registry offices.

Essentially, the deal between MCCR and the private sector gives Teranet a 10-year licence to manage the land registration databases and provide automated access services for a fee. The Government of Ontario continues to own the databases and provide land registration services through its network of Land Registry offices. Fees for registration and searching will continue to be set by the government.

Teranet will provide value-added services, including remote access and registration and customized information products based on the registry system and other databases. All new products and services must be approved by the government partner, but Teranet is free to market the services within Canada and abroad.

The corporation is managed by a board of ten directors, four each from the Government of Ontario and Teramira Holdings Inc., along with two appointees.

POLARIS Strategic Alliance

- Through Teranet, the Ontario government benefits from a huge reduction in project costs, increased revenues, accelerated implementation of an enhanced POLARIS system, reduced internal operating costs, and the industrial development benefits of employment and skills development.
- Senior officials within MCCR doubt whether POLARIS could have been completed by the government alone. For one thing, the project requires “deep pockets and patience.” The need for MCCR to continually justify very large expenditures each year would have delayed, if not killed, the project.

1 The private sector partners in Teranet are EDS, a global provider of data automation and database automation, with a staff of 80,000 in 35 countries; Intergraph Canada Ltd., a leader in graphics hardware, software and consulting; SHLSystemhouse, experts in systems development and integration; and KPMG, management consultants.

2 Brian Scrivens, “The Strategic Alliance Challenge: Balancing Divergent Interests in a Multi-Participant Project,” *1992 URISAProceedings*, page 5.

Human Relations

The Ontario government is represented in Teranet by MCCR, as it oversees the legislation and operation of the land registration system. Arrangements were made for the transfer of POLARIS staff to Teranet. Under the terms of the agreements, no one would be worse off in overall compensation, and the government would use its best efforts to find new positions for employees choosing not to transfer to the alliance. The Ontario Public Service Employees Union was recognized as the union of record for the new corporation.

As of December 31, 1994, the strategic alliance had directly and indirectly created an estimated 1,026 jobs.

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Lessons Learned

Brian Scrivens, a senior analyst in the Strategic Alliance Office of the Ontario Ministry of Consumer and Commercial Relations, writes that there were three "secrets to success" that should be considered by public sector managers considering the strategic alliance model as an approach to service delivery:

✔ **Conscript champions** The consortium had to hang together for several years as government officials worked with three successive governments to generate and maintain the political will to continue with POLARIS.

✔ **Define the vision** "There is no sense in discussing royalty structures and subcontracting policies until a common understanding is reached on the softer issues of the nature of the organization."[3] Essential questions had to be answered: "What business are we in?" and "Who are our clients?"

✔ **Get closure on tough questions** Even after agreeing on an overall vision, the partners have to negotiate the fine print.
- Don't defer issues to a future time.
- Get sign-off on one issue at a time and maintain an ironclad paper trail.

3 *Ibid.*

Tawatinaw Regional Innovation Centre, Alberta

Overview

The Tawatinaw region of Alberta, just north of Edmonton, is comprised of several rural municipalities with a combined population of 25,000 people. Historically, different agencies have been active in this region, providing services in the area of job counselling and small business development services. Specific topics include starting a small business, business consulting and technical support, research services, mentoring programs, financial assistance and computer training. Unable to sustain independent service delivery systems and recognizing the frustration that their segmented services were causing for clients, several agencies became active partners in the formation of the Tawatinaw Regional Innovation Centre (TRIC) in Westlock.

Since July 1995, one of the Department of Western Economic Diversification's (WD) key activity areas has been the pursuit of integration of services to small business. This activity is designed to improve services to western business through the integrated delivery of government services at the community level. It involves initiatives which bring together a variety of partners in order to streamline, integrate, rationalize and improve program/service delivery to western small businesses.

Integrated service delivery implies much more than mere physical proximity or co-location. Truly integrated services are also characterized by seamless delivery, backstopped by seamless administrative arrangements. (See Case Study 34 on Western Economic Diversification.) TRIC became one element of the WD initiative to achieve integrated delivery.

Integrated service delivery implies much more than mere physical proximity or co-location.

Case Description

The Innovation Centre is co-located with the offices of the Community Futures Development Corporation (CFDC) and the Prairie Farm Rehabilitation Administration (PFRA). These organizations maintain their own identities while working together to co-ordinate the services offered by TRIC. In addition, TRIC currently partners with Human Resources Development Canada, Alberta Social Services, Alberta Advanced Education and Career Development, Alberta Economic Development and Tourism, and Alberta Family and Community Support

Tawatinaw Regional Innovation Centre

- ✔ It offers one-stop delivery of business services to rural small business clients by integrating government and community services at the community level.
- ✔ The delivery of business services to rural clients is integrated to improve the quality of service to aspiring entrepreneurs, business owners/ employers, youth and the unemployed.

Services to provide a one-stop centre for clients seeking a variety of services. In addition, The Business Development Bank and the Alberta Opportunity Company provide regular services to the community through the Innovation Centre.

The Tawatinaw Innovation Centre's goal is the complete integration of business services. Certain services such as business registration and licensing are still not available through the Centre, but the business plan calls for all business services offered in the Tawatinaw region to be available at TRIC. Other goals are based on assessment of community needs in specific areas, including more joint venturing with local lending institutions, the expansion of current resource centre holdings and expanded services for youth.

TRIC has developed relationships with the municipal and provincial economic development offices in order to work together to provide superior service to the clients. These agencies jointly facilitate planning sessions, development workshops and the sharing of information and resources to assist in the overall delivery of programs to clients.

One interesting aspect of this community-driven integration exercise is the variety of contributions to the establishment of the Centre. Local businesses and community schools have contributed goods and services to renovate and decorate the TRIC office. Government agencies have contributed cash, surplus office furniture and equipment, and similar types of support.

TRIC targets its services to aspiring entrepreneurs, business owners/employers, youth and the unemployed in the Tawatinaw region.

Clients

TRIC targets its services to aspiring entrepreneurs, business owners/employers, youth and the unemployed in the Tawatinaw region.

A client wishing to find work can go to the Tawatinaw Regional Innovation Centre to use the Automated Job Information Centre to check listings of local job opportunities. While there, he or she could also refer to computerized résumé packages to help compose or polish a résumé. The client could also gain information on starting one's own business, and sign up for a variety of training and consultation seminars offered by the Centre's partners.

If this same client were contemplating starting a business, he or she could surf the Internet using the Centre's computers to conduct research on a particular area of business activity. The client could also access some of the Canada Business Service Centre databases in order to learn about government programs and services available to small business.

Challenges

The Innovation Centre faced a number of challenges in its development, including differing priorities of the various levels of government participating in the project and the need to provide quality service to all of the communities it serves.

In many co-operative arrangements, each order of government seeks to be recognized for its efforts and support, and this translates into requirements which sometimes conflict with the desire for close co-operation. The partners in the Tawatinaw Regional Innovation Centre have overcome this challenge by working closely together, and by maintaining regular communication amongst the various groups to establish and clarify their respective roles. This is an ongoing process that is attended to on a frequent basis. The fact that the CFDC, as the driving force in this process, is a private sector organization, no doubt helps the Centre avoid many of the pitfalls into which governments sometimes fall.

Conflict can also surface when one community believes that another is being favoured in areas such as the location of the project or access to the programs offered. TRIC's partners have been able to minimize potential conflicts by engaging the involvement of influential members of various communities who are willing to work to reduce these barriers and the accompanying hard feelings. TRIC is also planning to offset the perception of favouritism to the community of Westlock by installing computers in the other neighbouring communities and enhancing their access to online information available through electronic linkages to the Centre.

Discussion

WD's interests in the project were three-fold: establish a pilot project to offer improved service to clients while achieving cost savings for the partners; build on the momentum established within the selected community with respect to integration of business services; and link ongoing government initiatives together in a concrete fashion to develop single points of contact.

Innovations

The Tawatinaw Regional Innovation Centre has achieved a number of innovations in its development to date. Decision-making within the partnering organizations follows a co-operative process involving all of the participating partners. The operations of TRIC are overseen by a volunteer group of participating agencies. The steering committee, comprised of three business persons, three educators and three youths, does not have any formal decision-making policies but does meet formally every two months to discuss issues.

The operations of TRIC are overseen by a volunteer group of participating agencies.

The informal process gives TRIC a great deal of flexibility in decision-making.

Committee members are informed and consulted about decisions by the local CFDC manager, who is responsible to the committee. She then acts upon the decisions taken through this canvassing process. This informality would not be possible in a larger organization, nor is it possible within or between government departments. The informal process, however, gives TRIC a great deal of flexibility in decision-making, allowing it to respond quickly to issues, needs and concerns as they arise. In addition, many members of the steering committee play a variety of key roles in their communities (for example, one committee member sits on the CFDC Board of Directors, and another is mayor of one of the neighbouring communities). These individuals play a significant role in resolving concerns and garnering support in their communities for the Centre.

Perhaps the most innovative aspect of the Tawatinaw initiative is that it takes networks which naturally exist in a rural area and reinforces them with some simple tools. TRIC helps bring these networks together in a physical entity, thereby enhancing the region's ability to take care of its own — an approach on which rural communities pride themselves.

Implications for Alternative Delivery

Enhancements in service quality, rather than reduction of costs, is the primary objective in the process of integrating services, but the latter does occur. Cost efficiencies achieved through integration initiatives at the community level are, however, balanced to a great extent by increased demand for services. Cost efficiencies realized by partners usually result in the reallocation of funds to other initiatives to further enhance services. From this standpoint, the ability to implement budget reductions on the basis of cost savings is limited.

Centres such as the one in Tawatinaw are on the leading edge of achieving a true client service focus.

This example of integrating services to small business also suggests that private-sector organizations may be better suited to the successful pursuit of seamless delivery of business services. Perhaps community-level private-sector groups are better able to deal with the challenges of developing client-focused services, making better service more affordable. The flexibility inherent in these organizations allows for a faster response to changes in client or community needs. Centres such as the one in Tawatinaw are on the leading edge of achieving a true client service focus.

Facilitation Role for Government

Experience to date suggests that governments, if they proceed carefully and ask the right questions, can make a positive difference in such endeavours. Tangible ways of facilitating include ongoing funding, but they also include contract arrangements for service delivery and the provision of information and contacts which can help overcome potential bureaucratic or political obstacles.

An intangible outcome of WD's involvement in the Tawatinaw project is that the profile and credibility of the project have been enhanced in the eyes of the community. Key players in the project have found increased receptivity to their requests for assistance and cooperation within their communities as a result of being able to talk about WD's role in their initiative.

Ultimately, the project represents a new and innovative vehicle through which governments can work with private sector organizations to deliver high-quality service to small and medium-sized businesses in western Canada.

Lessons Learned

- ✔ Existing informal and formal networks can provide the starting point for creating effective local-provincial-federal partnerships.
- ✔ Private sector groups may be able to provide seamless delivery of business services.
- ✔ Federal partnerships with local organizations expose the federal partners to more responsive ways of doing business and can enhance the prestige of the local partners.
- ✔ As service improves, cost-savings may be eaten up by increased demand for services.

Partnerships and Arrangements

Sharing Facilities

Locally Shared Service in Nova Scotia

Overview

The locally shared support services initiative has provided a framework for pooling federal departmental services in such diverse areas as training, informatics, conference facilities, warehousing and mail/courier services. The objective is to reduce costs, streamline procedures and share information across a wide range of departments and agencies.

In Nova Scotia, the Federal Council initiated the development of an on-line system which links all federal government departments in the province. (The council's membership consists of senior federal officials in the province.) The system will eventually be extended to all departments in Atlantic Canada.

The importance of this example for service delivery models is in its innovative use of the Internet to link local government departments.

Case Description

The system is operated by the regional office of Environment Canada with input from other users. The home page, offered in both official languages, lists a series of options. These include departmental contacts, the availability of meeting rooms on federal premises, information on human resources, Internet links, the composition of working groups, employment opportunities, hot topics, surveys, innovative ideas and informatics packages, as well as information on financial and administrative matters.

A significant listing is the Job Bank sponsored by the Nova Scotia Joint Adjustment Committee. This is a management-labour body which assists affected employees to either continue their employment in the public Service or seek private sector alternatives. Users have the option of submitting career profiles and job descriptions. They may also browse for opportunities available in the system, which includes access to the Internet and the national public service data bank.

The home page is attached to a learning centre to achieve maximum use of the electronic communication system.

The home page is attached to a learning centre to achieve maximum use of the electronic communication system. The Learning Centre Plus is a co-operative effort operated by Health Canada in partnership with six departments and agencies, as well as Mount Saint Vincent University and McCain's Foods. Its objectives are to provide learning services to departments and agencies in the Halifax-Dartmouth area. This user-friendly software package offers modules on continuous and outreach learning in both official languages. There are plans to expand the software to include courses on managers' quality circle and the scientific network, as well as a module on sales and marketing.

Shared service arrangements and negotiations are informal, and they depend on the commitment and trust of individuals. They require extensive co-operation and harmonious rationalization of many horizontal issues. They work better in some provinces or cities than in others. Generally, they have been more productive when one department is tasked to manage and operate local corporate services in a region.

Lessons Learned

- ✔ Working across departmental divides can benefit all parties.
- ✔ Horizontal partnerships work best when one department assumes the lead in managing and operating local corporate services.

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Regional Agencies and Shared Information Systems

Overview

Welcome to Cyberland!

In Singapore, it used to take traders two days to do the paperwork involved in turning around a cargo ship. Now it takes 15 minutes, thanks to an electronic data interchange (EDI) system.

In Canada, it used to take brokers and importers 10 days to complete the paperwork and obtain the approvals required to move a shipment across the border. Using the Customs Automated Data Exchange (CADEX), it now takes 30 minutes, and the government keys the data only once.

Can these technologies be used to sharpen the delivery of services, and perhaps improve the operations of the agencies that deal with regional economic development in Canada? Should the agencies co-operate in informatics, perhaps sharing in a single system that would be user-friendly to business clients?

Revenue Canada now accepts digital tax returns, which are processed in about 14 days. This compares with six to eight weeks for a paper return. Using electronic funds transfer (EFT), you can get your refund a lot faster than in the past. Because of EFT, more and more Canadians are receiving their Income Security Program cheques as direct deposits into their bank accounts.

Case Description

There are four regional economic development entities in Canada:

- The Atlantic Canada Opportunities Agency (ACOA);
- The Federal Office of Regional Development in Quebec (FORD-Q);
- Western Economic Diversification Canada (WD); and
- Industry Canada, which is responsible for national industrial policy and also for the operations of FedNor, which delivers regional economic development programs in northern Ontario.

They share roughly the same mandate and serve similar clients. On the face of it, there would appear to be a rationale for co-operating to develop shared information systems. But co-operation has been limited. Why?

ACOA, WD and FedNor were created in 1987, followed by FORD-Q in 1991. They replaced the Ministry of State for Economic And Regional Development (MSERD) and the Department of Regional Industrial Expansion (DRIE), which had been created in 1982. The agencies were given very broad, general mandates and it was left to management to develop specific objectives and programs.

If the agencies were to cooperate with each other on developing a common informatics system, it would be almost a first.

Given the fact that the objectives and programs differ from agency to agency, how might an interconnected informatics network improve the delivery of government services to business clients?

The four organizations are in roughly the same business, with an emphasis on "roughly." They all target small to medium-sized enterprises (SMEs). They all offer funding of one sort or another to help firms get started or grow (much less now than before the 1995 budget, which nearly levelled their spending programs). They all stress that their most important work is to give SMEs the information, training and other non-financial services they need to compete at home and, especially, abroad.

Industry Canada operates a nationwide Wide Area Network (WAN) that is used, among many other things, to link 10 Canada Business Service Centres (CBSCs). This "backbone," as it is called, provides access to a number of IC databases of interest to business. FedNor uses the backbone but the other agencies do not. Aside from the policy questions involved in whether the agencies should interconnect on the IC network, apparently there are technical problems that currently prevent such a linkage.

Existing Co-operation

If the agencies were to cooperate with each other on developing a common informatics system, it would be almost a first. They don't talk to each other much; probably not more than any other group of four departments. However, there was, and is, considerable interplay between each of the agencies and IC on the establishment and operation of the CBSCs (of which more later).

There are some exchanges, mostly ad hoc, at meetings, by conference call or via e-mail. The managers in each agency know their opposite numbers in the other agencies but do not deal with each other, say, every week. There was an attempt to create a common financial adminstration system between ACOA and WD. It was abandoned because the differences between them were too great: at the time, ACOA made grants while WD made "repayable contributions." The Auditor General has said that "comparing results among (regional economic agencies) should be done with care but there are enough similarities to make possible some sharing of information and comparisons of operations."

Nearly Frictionless Capitalism in 2001

It was a dark and stormy night. Alice the entrepreneur sits bolt upright in her bed, awakened by a business idea.

"Colossal!" she whispers into the dark. Instantly, a blue light floods Alice's bedroom. "Yes?" says Colossal Computer, who speaks in a rich baritone.

"Check all nets and sites for the following keywords. . . " Colossal goes quickly to work. Electronic pulses stalk the WorldNet, slipping into LANs and WANs, skipping in and out of databases and registries, racing through World Wide Web sites; seeking, compiling, analyzing, checking. Automatically, the powerful computer applies Fuzzy Logic, Lateral Recognition and Chaos Theory to create a master matrix. Very soon, the computer reports: "8,500 hits."

Alice issues further commands, narrowing the universe she has just created, rendering it down to a precious few markets scattered throughout the world from Hong Kong to Sydney, Athens and Minsk.

With mounting excitement, Alice tells Colossal to access REDEX, the Canadian government's Regional Economic Development informatics system. On REDEX she creates an optimum supply, assembly and distribution system that links three regions.

Through REDEX, and using her corporate PIN identification, Alice transfers 850,000 cyberbucks from her bank in Rangoon to new accounts in Moose Jaw, St-Louis-du-Ha!-Ha! and Come-By-Chance. From these accounts, she posts performance bonds, pays local business fees and buys insurance.

It is all coming together beautifully, but Alice needs more money. Through the Canada Business Service Centre in Montreal, she applies for government financial guarantees. This is a job for Colossal computer.

Colossal proves to the REDEX computers that Alice's idea:
- Would create 50 jobs in disadvantaged areas,
- Would help women and other targeted groups,
- Would yield further investment opportunities in three regions,
- Would not displace a current business,
- Could not go forward without government help,
- Has a good chance of being self-sustaining,

- Will help Canada's balance of payments,
- Would be environmentally neutra, and
- Would not transgress the terms of GATT or other agreements.

The guarantees are approved in minutes. It's hard to believe it used to take 90 days or more just five years ago.

Alice uses the guarantees to arrange a loan from a consortium of three banks. They practically throw the money at her.

"Match and priorize," says Alice quickly.

"Check," says Colossal.

"Clear all government licences, permits, regulations, import duties, taxes. . ."

Alice is breathless.

Strange News from Cyberland

The fantasy could end with Alice completing all the transactions, making three million cyberbucks and going happily back to sleep. Or Colossal computer could report that the deal falls through because the REDEX informatics system does not have the bandwidth, or lacks the sophistication, or the "interconnected-ness" to handle all the deals.

On the other hand, it may be that all the government services Alice accesses (advice, information, funds, etc.) could be found entirely on private sector networks. Note that Alice does not have to visit an office, go anywhere, or handle any paper to complete her deals. Her single window of access to government services is an electronic connection in cyberspace, not an office in a building.

Technology, and especially communications technology, is changing so fast that even those in the know, don't know.

Technology, and especially communications technology, is changing so fast that even those in the know, don't know. One example: almost everyone raves about the business value of the World Wide Web (WWW). But Robert Metcalfe, publisher of the highly respected magazine *Infoworld*, and inventor of *Ethernet*, predicts that the WWW is "set to collapse in 1996," a victim of too little bandwidth and its own unsubstantiated hype.

In any case, the Auditor General has written a cautionary note about implementing IT systems:

> There are many risks and challenges in implementing information technology today. The rapid changes in technology and the environment in which it is implemented make it essential that government take the leading role in managing the risks that these changes bring. The risks are both internal and external to the government; they include organizational barriers, complexity of the technology, changes in the legislative and economic environment and impacts on public servants.

The rapid changes in technology and the environment in which it is implmented make it essential that government take the leading role in managing the risks that these changes bring.

What Kind of Service?

Most of the material provided by the regional agencies to business clients is vital but relatively low-level "how to" information: how to start a business, write up a business plan and get financing, run a business, market new products, etc. This information is already provided by the agencies in several ways: electronically, on a one-on-one basis, in seminars and workshops, or in pamphlets and brochures.

Another category of assistance might be called "dealing with government." This includes information about government assistance, loans, contributions, incentives, taxes, credits, permits, licences, inspections, approvals and certificates. In this case, the agency may operate either as a pathfinder, pointing the way, or as an unpaid consultant. All agencies try to ensure that their region has a fair shot at federal government procurement programs.

Still another category concerns higher value services such as training, counselling, mentoring, alliance building (putting companies together for a purpose) and advocacy (ensuring that what the region has to offer is known in government departments).

These activities may include the hosting of shows or conferences to alert producers to new market intelligence, and research and distribution of information on trade or import replacement opportunities. Differing greatly from time to time and region to region, these activities are too numerous to list and may change, as circumstances demand.

CBSCs: Single-Window Service

The agencies are also managers of most of the 10 Canada Business Service Centres (CBSCs) that are now set up in major cities across Canada. The primary purpose of the centres is to provide a single access point for information on all government programs and services for business, whether federal or provincial.

Industry Canada stresses the human element at CBSCs.

Many of the CBSCs involve partnership arrangements with the provincial governments and, in Quebec, with the Board of Trade/Chamber of Commerce in a contractual arrangement. In some cases, the offices are operated under federal/provincial agreements while in others, the informal arrangements exist between officials.

CBSCs have been welcomed by the business community. They speed up finding information and help cut through red tape. Across the country, they handle some 800,000 inquiries a year, mostly by phone or fax. However, Industry Canada stresses the human element at CBSCs:

> . . . staff in the centres are specially selected for their background in business services and dealing with business clients. They understand the environment of the entrepreneur. A conversation with the business officer will not just answer a direct question. Through a series of open-ended but not intrusive questions, they will also anticipate related matters or make useful suggestions about alternatives, options and other considerations.

When such a product is successful, it is rolled out across the country, for use in all CBSCs.

Using a "systemic fund" within IC, CBSC invests in the development of various information products. One example is a regulatory model developed by Agri-Food Canada and provincial authorities in Saskatchewan. When such a product is successful, as this one was, it is rolled out across the country, for use in all CBSCs.

One view within the regional agencies is that the CBSCs provide a basic information service while the agencies offer region-specific, value-added services — that is, they give funding, information and service a regional spin. It should be noted that the agencies maintain offices in hundreds of smaller centres across the country and these, too, may be single windows of access to government assistance.

Considerations and Constraints

- Small-business clients already have speedy access to basic information, which is provided by the agencies through both the CBSCs and their own offices.

- Theoretically, there is no information so complicated, nor any service so personal, that it cannot be digitized and distributed electronically. Everything a government business representative knows can be keyed, and the information can be constantly refreshed with new data. However, the database would not have creative thinking power — which is precisely what the regional agencies seek to apply at the business/government interface.

- The government's overall corporate strategy, *The Blueprint for Renewing Government Services Using Information Technology*, states that the public and private sectors should have untrammelled access to the full range of government services through "a single service window." It seems that this window will be located, increasingly, in cyperspace and perhaps only secondarily in office buildings or shopping malls. However, as the InterNet and the WWW become more congested, business people will find it useful if the single window is placed on a network dedicated to their needs.

There is partial agreement that low-end information of the "how to" sort can be delivered less expensively by electronics.

- There is partial agreement that low-end information of the "how to" sort can be delivered less expensively by electronics, especially in rural areas, where it is now most costly. At the same time, there is general agreement within the agencies that there will be a continuing need for person-to-person contact in providing this information.

- There is less agreement that informatics could be used to help the agencies administer their operations better, but there are possibilities. ACOA has probably gone further than the other agencies in evaluating and auditing its programs. This information might be of use to IC, WD and FORD-Q. Similarly, there are probably "best practices" in IC, WD and FORD-Q that would be of benefit to ACOA. What's not clear is whether this information could be exchanged by other methods — a conference, e-mail or lettermail, for that matter.

- There are some types of information that the regional agencies might prefer *not* to share on an interconnected system such as the mythical REDEX — for example, client-sensitive information.

Differences of Opinion

There is little consensus among officials in the four agencies about the co-operative use of informatics.

There is little consensus among officials in the four agencies about the co-operative use of informatics. Everyone believes Canada must continuously bring informatics to the business/government interface. But some add that, as yet, there is no well-articulated demand for this at the regional level. There are many views. The following comments are manufactured but they represent real attitudes.

- We've got to give business people the technical support they need to find global markets and mine them. The way to do that is with informatics. If we don't move quickly in this area, Canada won't be competitive. Period.

- I agree with the idea, but what technology are you going to use? I'm not going to take another vapourware train to nowhere. Just because a certain technology is elegant, doesn't mean it's appropriate.

Some of our clients live in little towns with old copper wiring. They can't even get their faxes to work properly.

- Using technology is really the only way for the government to cut costs and at the same time improve service.

- Informatics support like this is mostly for large firms. They can look after themselves. Some of our clients live in little towns with old copper wiring. They can't even get their faxes to work properly.

- This is a management and a policy question, not a technology question. Could we do it? Sure. Should we do it, and how much should we spend on it? Those are the key questions.

- "Co-operation" (in informatics) usually means that somebody has to change their views, and usually it is the weakest who has to change the most.

- I am willing to consider anything that will help my clients — but you'll have to demonstrate the benefits before I will buy in.

Lessons Learned

✔ Informatics is being used to good effect, and can no doubt help to further improve the delivery of services provided by the regional agencies to small and medium-sized businesses.

✔ Two areas where informatics might be used to advantage are in shortening the response time required for approving financial assistance, and in providing information that is especially time-sensitive, such as market intelligence, government procurement opportunities, etc.

✔ The four agencies have four mandates and four technology "views." These views would have to be harmonized before they could be linked together in a common informatics system.

Winnipeg Government Service Centre

Overview

The Winnipeg Government Service Centre is a building that former Human Resources Development Minister Lloyd Axworthy reserved for the implementation of a "single window" for clients wishing to access support services that are currently offered to the public by three levels of government. The first two floors of the building have been reserved for the co-location effort. There will be 78 Human Resources Development Canada (HRDC) staff and 63 staff from the Winnipeg Social Services Employment and Training Branch, as well as one representative from HRDC Labour and one representative from the provincial Department of Labour. Discussions are currently under way to have the Canada Business Service Centre and the Manitoba Business Service Centre locate on the second floor. The provincial departments of Training and Advanced Education, of Family Services and of Labour have been involved in the planning to date, but only the provincial Department of Labour has made a commitment to have staff located in the building. Family Services is negotiating a "single tier" system with the Winnipeg Social Services. It is hoped that they will join the project soon.

Winnipeg Government Service Centre

- ✔ A co-location project that benefits everyone, and hard criteria for success.
- ✔ A desired but as yet uncommitted future integration of multi-level government services.
- ✔ A provincial partner that is now about to commit approriate staff to the project.

Case Description

Another hot August day in Winnipeg. Ken Burfoot of HRDC sat at his desk and reflected that a full year ago, he became the project manager of the Winnipeg Government Service Centre. At that time the Centre was only a concept pushed by Minister Axworthy. The goal of three levels of government pooling their efforts and resources to assist the efforts of citizens to lead contributing, rewarding and economically secure lives seemed simple enough back then. But like the Manitoba seasons, the next year saw the idea chill down before it warmed up again. Now it was as hot as the pavement outside his office. He had just received approval to renovate a building at 391 York Street. HRDC had agreed to locate 78 employees there, along with the city's commitment to place 63 staff from its Social Services department. Negotiations with the province had broken through impasse and given cause for optimism. Yes, it had been a tough 12 months, but it was worth it. He could now see that by the end of the first quarter of 1996, the vision would become a reality. A lot of public servants had worked hard, and soon their efforts would pay off by making a difference in the lives of citizens as well as increasing efficiency for the three levels of government.

A lot of public servants had worked hard, and soon their efforts would pay off by making a difference in the lives of citizens as well as increasing efficiency for the three levels of government.

The federal government has identified job creation and economic renewal as among its highest priorities.

Why Was This Project Started?

The federal government has identified job creation and economic renewal as among its highest priorities. Labour force development plays a critical role in achieving these goals. That is why the federal government is taking steps to strengthen the relationship between it and provincial and municipal governments to explore a new type of partnership arrangement in the management of labour force development programs.

On March 1, 1994, Minister Axworthy met with the 10 ministers responsible for security and labour market matters. It was agreed to pursue administrative arrangements to:

- Improve services to the public,
- Eliminate overlap and duplication,
- Improve operational efficiency by reducing overhead and administrative costs.

What Benefits Can Be Expected?

For Clients

- One-stop shop — If clients need assistance (unemployment insurance, social assistance, social allowances, student aid), employment, training or counselling, they can receive those services in one building.
- Co-ordinate services — Currently all three governments provide information on the labour market, job opportunities, training, employment preparation, résumé preparation and job search tips. The resources dedicated to these areas could co-ordinate their activities and provide a more comprehensive service.
- Shared resource area — Information on labour markets, careers and training from each government could be combined in one area.
- Shared front-end reception — No guessing which office to go to. Staff would be able to give basic information on the programs and services of the partners, as well as the method of accessing those programs and services.
- Access to the job-bank terminals, information network and kiosks — Partners could put information on their programs and services including service locations, on the terminals. The job bank network is in every Canada Employment Centre and will soon be in all major malls in Winnipeg.
- Access to self-help support networks and CHOICES (computerized career information) — Kiosks and open access to these databases could be provided at and by the centre.
- Availability of related services and programs — Clients could access short-term counselling, career planning/testing, short-term training programs, psychological testing, mobility, and SIN application in one building.

For Government Partners

- Less space required because of common reception, administration and meeting areas.
- Access to boardrooms for meetings and group sessions.
- Common mail, storage and administrative areas could be managed by HRDC.
- Common security needs for staff, systems and the building. Could be reviewed and incorporated into the co-location plan.
- Bilingual service capability could be shared for basic information services.
- Central location, class A premises.
- On-site support by HRDC staff for minor computer systems problems and basic computer training skills.
- Systems could be modified to allow basic sharing of information.
- Sharing of information on clients for training, counselling, support and investigations. The information that is shared could be covered by memorandums of understanding to ensure privacy concerns are met (e.g., investigators would be able and allowed to identify clients who were collecting UI and social assistance or social allowances at the same time).
- Co-location could lead to shared understanding of common goals, clarification of roles and responsibilities, and harmonization of activities to eliminate overlap and fill gaps.

Bilingual service capability could be shared for basic information services.

What Is Now Scheduled to Happen?

By the end of the first quarter of 1996, the five areas listed below will see improved service and less duplication and overlap:

- Placement. HRDC, the city and a component of the province have access to the job bank and marketing services.
- Training. HRDC has centralized its project-based training, as has the city. The province is considering the right staff to include in the project.
- Employment Development. HRDC and the city have included Employment Development staff in their proposals.
- Investigations. HRDC and the city are including their investigators. This could increase the impact of investigations in Winnipeg.

What Measures of Success Will Be Looked At?

Winnipeg has identified a hard target. They want to get 350 to 400 able-bodied unemployed people (ABUs) off social assistance. At an average of $6,000 per ABU, this translates into savings of over $2 million annually.

On the softer side, the steering committee will collect feedback from clients and staff. If service is not improved, they expect to hear about it early and often. Formal surveys will be used to identify the nature and level of improved services.

In addition, the steering committee has set three interim objectives to be met by the end of the first quarter of 1996:

1. A joint database to support basic inquiry into both UI and social assistance.
2. A common e-mail system connecting all staff in the building, regardless of their department of origin.
3. An open e-mail notice of meetings scheduled.

A longer term goal is the creation of a casework system that will allow staff to view the assistance history of a client.

Co-location versus Integration

It is important to note that the Winnipeg Government Service Centre is not yet a truly integrated multi-level government project. For now, co-location is the plan. It is hoped that the formal (e.g., cross orientation) and informal (e.g., common lunch room and e-mail systems) experiences will ease the ultimate transition to integrated service. The fact that social support program boundaries are becoming fuzzier favours this final goal.

Critical Success Factors

The single greatest critical success factor was the bulldog determination of the public servants to keep this project on track.

The single greatest critical success factor was the bulldog determination of the public servants to keep this project on track. Ken Burfoot lauds the municipal employees' tenacity. It is obvious that the program manager and his department's commitment were also crucial.

Finally, economics can be a great motivator. Ultimately, money must be saved but services must still be provided. Recalcitrance in the face of shrinking budgets cannot last forever. But the question is: Can the commitment to change outlast the resistance to change? In Winnipeg, a small group of committed public servants believe they went the distance.

Pitfalls

HRDC regional staff could not identify any pitfalls — the project has all the appearances of smooth sailing.

What's Next?

Winnipeg has indicated a willingness to consider a "network of single window offices" starting with 391 York, then amalgamating their St. Boniface staff with HRDC in April 1996. The two remaining HRDC offices could have city staff in them as soon as their locations are finalized. These two additional HRDC co-locations could take place as early as fall 1996.

There is an opportunity to completely integrate service provision to all clients needing assistance, placement, training or labour market information in a network of co-located federal and municipal offices. Moreover, the initiative could spread to other cities. It is possible that the province will take a stronger position, both in the Winnipeg Government Service Centre and in the single-window network concept now that Winnipeg has established their position and commitment.

From Ken Burfoot's perspective, the Manitoba winter of 1995–96 will not have icy winds and bone chilling cold, no matter what the weather brings. Rather, the thermal energy of a project that is coming on-line will warm his and the steering committee's days.

There is an opportunity to completely integrate service provision to all clients needing assistance, placement, training or labour market information in a network of co-located federal and municipal offices.

Lessons Learned

- ✔ The tenacity of a small group, combined with economic reality, can move a project to completion.
- ✔ Amidst change in two major departments (Social Services in the municipality, shrinking budget and new delivery systems for HRDC), a joint program can still stay on track.
- ✔ Co-location can yield savings.
- ✔ If there is no line authority in the service centre, there will be no integration. There will be no incentive for staff to integrate and no power to make them integrate.
- ✔ Turf protection will reign supreme unless the major rules are changed. Many of the "middle managers" want to climb the career ladder just like their bosses did. Without changing the reasons people get promoted, there will be no change in behaviour. Perhaps better than changing the promotion rules is changing the need for middle management. Give many of their tasks to lower level supervisors and use information technology to do the rest of their tasks. No wonder they protect and try to increase their turf. Not only does it lead to promotion, it prevents layoff.
- ✔ Failure to realize what business you are in, as seen by the customer, can lead to gross distortions of your value added. Most citizens think government is a monolith. Why shouldn't they. We see subtle differences between ourselves, but such nuances are drowned by the sea of red tape that washes over citizens. Under these conditions, if one level of government fails to deliver value, we all fail. We have to help all of us succeed.
- ✔ Budget cuts can make strange bedfellows. Planning should drive budgets, not vice versa. If there is one contribution from TQM, it is the realization that problems can be better solved at the beginning of a process than at the end. Sinking money into the investigation of

"double dipping" is starting at the wrong end. Go to the origin and eliminate the duplication, then there can be no "double dipping" by clients because the possibility doesn't exist. This advice is not new. How old is the chestnut, "An ounce of prevention is worth a pound of cure"?

✔ Lots of "smoke and mirrors" will be used to avoid major change. See through them by asking the devil's advocate questions. And who is the devil you should advocate? The customer.

Shared Warehouse/Purchasing Arrangements in British Columbia

Overview

During early 1993, discussions took place between Public Works and Government Services Canada (PWGSC) and the Province of British Columbia with respect to crown assets disposal and the potential for mutual savings through partnership. In October 1993, an agreement was reached between PWGSC and the British Columbia Purchasing Commission (BCPC) for the sharing of space and the provisions of joint sales of surplus government assets in Richmond. The agreement was expanded in early 1995 to eliminate BCPC warehousing staff and to provide for reciprocal services in Victoria. PWGSC staff are now located on the BCPC's Warehouse Asset Investment Recovery premises.

Case Description

This initiative was prompted by the resolve of both parties to reduce costs. Senior officers from both organizations recognized the opportunity for mutual benefit and savings:

- Office and warehouse occupancy costs,
- Transportation of used assets,
- Joint sales,
- Joint advertising,
- Shared staff/back-up in two locations (Richmond and Victoria),
- Shared training,
- Increased revenues through exchange of best practices in sales and marketing,
- Opportunity to provide a highly successful model of federal-provincial co-operation.

Both parties have identified significant savings from these initiatives, primarily through staff and lease cost reductions. For instance, two provincial government warehouse facilities located in Surrey were closed when the partnership began in October 1993, and by March 1995, the provincial warehouse staff complement had been reduced from five to two full-time equivalents. Provinical overtime costs have been eliminated due to Crown Assets Distribution Centre (CADC) staff handling sales functions. CADC has benefited on several fronts but particularly by reducing office and warehouse lease costs.

A study by Consulting and Audit Canada will validate the partnership model currently in place and identify the benefits accrued to date. PWGSC and BCPC have agreed to share the cost of this study. Items to be covered will include a synopsis of joint initiatives, a review of benefits and savings, comments on the applicability of this model for joint federal-provincial initiatives in other areass, along with specific recommendations for refinements and improvements to the existing arrangements as guidelines for future partnership initiatives.

Partnerships and Arrangements

Community Partnerships

New Brunswick "Single Entry Point"[1]

In New Brunswick, also in the field of health care and social services, a partnership called the "Single Entry Point" model was launched in 1989 by the Family and Community Services Division of the Department of Health and Community Services. It had two purposes:

- to test a model centred on a single comprehensive and multidisciplinary assessment to determine eligibility for community long-term care and nursing home services for those over 65; and
- to demonstrate the effectiveness of enhanced community health and social services to support seniors in their own homes.

The following factors led to the decision to develop the new delivery model:

- There were criticisms of the quality of service, notably the long waiting lists for nursing home beds. In addition, "access to the system...was complex and confusing for the client."
- "The anticipated financial impact of an aging population, the increasing cost of long term care and the decreasing availability of public funds also provided impetus for change." In addition, in 1988 the provincial government had halted plans for the construction of new nursing home beds.
- The delivery of community health services, community social services and nursing home services fell under different responsibility centres, each "with a strong sense of territoriality." Problems in service provision resulted in part from "the lack of coordination of long term care agencies."
- A number of internal and external stakeholders had presented briefs to the minister advocating an integrated system.[2]

According to the department's 1992 IPAC award application, "innovation would lie not only in the adopted model but also in the collaborative process utilized to design, implement and monitor this model." From the outset, principles of partnership were reflected in the structure established for the planning, implementation and evaluation functions, which allowed for representation from the department and the Extra Mural Hospital (a provincial corporation, with offices throughout the province, responsible for the delivery of acute and long-term home health care), as well as from major stakeholder groups.[3]

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1 Reprinted from F. Leslie Seidle, *Rethinking the Delivery of Public Services to Citizens* (Montreal: The Institute for Research on Public Policy, 1995), pp. 149–151.

2 The quotations in the above summary are from Department of Health and Community Services, Government of New Brunswick, 1992 Entry Form for Innovative Management Competition, Institute of Public Administration of Canada, January 10, 1992.

3 The stakeholder groups included professional associations, service provided associations within the public sector (e.g., nursing homes) and outside (e.g., the Red Cross) and advocacy groups.

At the service provision level, there was a partnership arrangement between the Extra Mural Hospital and the local Family and Community Social Services office. Professional services continued to be delivered by public employees, while many home support services (for example, “Meals on Wheels”) were purchased either from social-sector organizations or from private companies.

A comprehensive evaluation of the project was carried out in 1990.[4] Information was obtained from a range of sources, including interviews with “informal caregivers” and clients receiving “enriched services,” and questionnaires for provincial stakeholders, nursing homes, service providers and hospitals. Among the findings, which were generally positive, were the following:

- “On the basis of the results from the opinion surveys conducted among the frail elderly and the caregivers in their informal networks, we conclude that although the pilot regions used different procedures, client satisfaction was high in both regions. A large number of the frail elderly stated that the Single Entry Point was a positive or even very positive experience for them.”
- Nursing homes, service agencies and hospitals identified improved coordination in the delivery of community services necessary for seniors to continued living at home as “one of the Single Entry Point’s strengths.”
- The project demonstrated “financial responsibility”: the spending ceiling for community services was respected.

Client satisfaction with the project can be explained by its principal achievements: enhanced service resulted from an “expanded menu” of services provided within the home and from increasing the amount of particular services available; in addition, waiting times for access to nursing home beds were reduced. In 1993, the project became a program, and by early 1994 it had been extended to the entire province. Monitoring continues to be carried out by seven regional committees comprised of representatives of the department, internal and external service providers and advocacy groups. As part of New Brunswick’s “Long Term Care Strategy,” expansion of the program is in process: the objective is to have it cover disable adults (regardless of age) and, eventually, children with special needs. In addition, broadening the partnership to include the New Brunswick Mental Health Commission is being considered. According to Aline Saintonge, a department official closely involved in the pilot project, the “Single Entry Point” has been “a good partnership”; she added that “the strongly shared goals of the participants enabled them to overcome some of the difficulties associated with such arrangements.”[5]

4 *Evaluation Report of the Single Entry Point Pilot Project*. Bureau de consultation ÉVAco enr., April 1991.

5 Telephone interview with Aline Saintonge, Director, Program Analysis and Evaluation, Department of Health and Community Services, Government of New Brunswick, March 2, 1995. Saintonge provided the information about the results of the project and possible expansion of the program in a subsequent telephone interview (August 15, 1995).

The “Single Entry Point” is another example of a successful operational partnership. In this case, the principal partners are public-sector organizations (the Family and Community Services and the Extra Mural Hospital). However, social-sector organizations have had a role in the development of the demonstration project, its evaluation, the provision of certain home care services and monitoring (through the regional advisory committees). Enhanced service delivery was a key objective, and the evaluation report suggests that there was considerable improvement in this regard. Finally, this partnership reflected a convergence of factors, including the fiscal imperative, as well as a willingness to experiment before expanding the initiative to a province-wide program, eventually with broader coverage.

British Columbia "At Home" and "Micro Boards" Agents[1]

The "At Home" program is a social partnership consisting of the Ministry of Social Services and the Ministry of Health of the British Columbia government, community representatives and parents of handicapped children. The parents are largely responsible for program administration and have been involved, along with the other partners, in assessing and redefining the program.

The "At Home" program, which was a finalist for the 1992 IPAC award,[2] emerged as a response to the major obstacles faced by families with severely handicapped children. Following a presentation in 1989 by a group of parents, some of whom had children in institutions but sough to keep them at home, the Social Credit Cabinet took four decisions:

- up to $15 million was to be allocated to a program aimed at maintaining severely handicapped children at home;
- the program was to be in place within three months;
- the entire $15 million was to be provided directly to parents for respite care[3] or for medical care supplied, with no allocation for public service staffing or administrative costs; and
- two ministries, the Ministry of Social Services and the Ministry of Health, would jointly run the program.

The deadline and absence of new resources for administration challenged the two ministries. However, "necessity was the mother of invention," according to Susan Doyle of the Ministry of Social Services, who was closely involved in the program's development.[4] It was decided to convene representatives of parents, hospitals, nonprofit agencies and advocacy groups, and to invite them to form a partnership to develop the program. According to Doyle, the ministry officials told the representatives that "we need your help, and we need it fast." During the ensuing meetings, each side expressed reservations:

- The outside groups asked the public servants: "Were we offering an equal partnership or lip service? Were we prepared to share the glory of success, or did we simply want to spread the blame in the event of failure?

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1 Reprinted from F. Leslie Seidle, *Rethinking the Delivery of Public Services to Citizens* (Montreal: The Institute for Research on Public Policy, 1995), pp. 146–149.

2 See "1992 IPAC Award for Innovative Management." p. 15.

3 "Respite" is defined as follows: "A family support service provided by the Ministry of Social Services aimed at alleviating the parents of direct care of an identified child for an intermittent period of time for the purpose of rest/relief to the family" (communication to the author from Paul Grant, Director, Community Support Services Division, Ministry of Social Services, Government of British Columbia, August 3, 1995).

4 Telephone interview with Susan Doyle, Director, Health Services Division, Ministry of Social Services, Government of British Columbia, November 17, 1994.

If they volunteered their time, energy and enthusiasm, would we open our minds to new approaches?"
- The officials had "a few fears of [their] own. Could these people, representing their own interests, broaden their focus to recognize the needs of others?"

There was agreement that the potential obstacles could be overcome: "Seeing little alternative and acknowledging our mutual risk, everyone agreed to harness [their] trepidation and proceed."[5] The program was launched by the three-month deadline.

Among the notable elements of the initial agreement was the decision that admission to the program would be determined by a committee composed of professionals, community representatives and parents of handicapped children. As stated in the ministry's application for the IPAC award, "the bureaucracy, in essence, gave up control of the gateway." However, decisions denying admission were subject to review by a regional board and ministry officials. In addition, it was decided that, to the greatest degree possible, the program's benefits would be self-administered. Qualifying parents receive a discretionary allowance for respite services up to a maximum of $2800 a year. They receive a payment each month and are obliged to provided receipts to the ministry. A detailed policy manual was developed to guide parents.

Flexibility was built into the program at the outset. This, according to Doyle, proved quite important. "We were just wrong about some things," she said, including the number of people in the program and demands on the service. Subsequently, the eligibility criteria were adjusted to allow broader access to the program. According to Paul Grant, another official involved in the program's development, the principal difficulty encountered in relation to the partnership was to ensure that eligibility was determined fairly and equitably.[6] This has been largely resolved. In addition, the possible decentralization of the eligibility review process, from regional to community boards, has been considered. However, this has not yet been implemented.

In 1992, the ministry carried out an evaluation of the "At Home" program; this was based on a survey of parents with children who were receiving benefits under the program and a review of the children's files. Among the principal findings were that:
- Parents viewed the program as "an effective family service." They indicated that it had enhanced their capacity to cope with caring for their handicapped child (96%); eased their financial worries (91%); made it

5 This quotation and those in the two points above are from Ministry of Social Services, Government of British Columbia, 1992 Entry Form for Innovative Management Competition, Institute of Public Administration of Canada, December 31, 1991.

6 Telephone interview with Paula Grant, August 19, 1994.

easier to meet their child's special needs (88%); and "benefited the entire family unit in one way or another" (83%).
- "Parents expressed considerable appreciation for the range of benefits available through the program."
- "Despite a high percentage [of] parents who experienced difficulties in finding caregivers, the majority [were] satisfied with the present set-up of respite."[7]

Another partnership with a related purpose emerged from a pilot project begun in 1990 with the British Columbia Ministry of Health (later replaced by the Ministry of Social Services), the Vela Housing Society (a small, nonprofit agency legally recognized by the province) and three "micro boards" established by the Society to support people with multiple disabilities. The boards, which are registered as nonprofit societies, are composed of a minimum of five people who are related to the disabled person or know him/her. Each board receives monthly grants from the ministry to purchase care; all but two of the boards employ their own staff. Members of each micro board meet annually with ministry staff to review the board's budget. In accounting for spending, the boards must respect the rules that apply to other nonprofit societies.

According to Linda Perry of the Vela Housing Society, who has been active since the outset in establishing and supporting the "micro boards," those involved in the pilot project were "struggling with finding a creative alternative to serve some people with very complex needs." This required that "the bureaucracy bend sufficiently." In her assessment, the ministry responded with "an act of faith."[8] The pilot project became a program in 1991, and the provincial government has continued its funding. Perry described the findings of an independent evaluation completed in early 1995 as "very positive." About the same time, the Society hired two regional facilitators to assist with the "micro boards" across British Columbia, and Perry expected further growth.

Both the "At Home" program, which has been in place for more than six years, and the "micro board" project demonstrate how partnerships can emerge and develop in response to the changing needs to citizens — in this case, a desire to move from the traditional approach of placing disabled persons in institutions to providing care within the home. The "At Home" program is a particularly interesting example of interaction between the

7 Research, Evaluation and Statistics Branch, Ministry of Social Services, Government of British Columbia, *An Evaluation of the At Home Program*, July 1993, pp. ii, iii.

8 The preceding quotations and description of the "micro board" project are from telephone interviews with Linda Perry, Micro Board Project Coordinator, Vela Housing Society. Vancouver, British Columbia, January 16 and August 14, 1995.

public and social sectors. Although the Social Credit government was dedicated to shrinking government, it nevertheless responded to the appeal from the parents of handicapped children; however, it decided to allocate funds for benefits but not for additional public service administrative resources. Even so, ministry officials have retained an important role, in tandem with decentralized delivery and review processes. This operational report suggests that this is one of its strengths. Moreover, the spirit of collaboration helps explain the participants' willingness to make adjustments based on experience and formal assessment.

Partnerships and Arrangements

Partnerships in Governance

25

Making a Great Lake Superior

Federal/Provincial Co-operation at the Lake Superior Programs Office

Overview

The Great Lakes — Superior, Michigan, Huron, Erie and Ontario — constitute the largest body of surface fresh water in the world. They are of great importance to the economies and ecology of Canada and the United States: one in three Canadians and one in seven U.S. citizens — a total of 37 million people — live around the lakes. One half of Canadian and one fifth of U.S. manufactured goods come from the basin. But the very reliance that led to the use of the lakes for manufacturing, shipping and other economic activities, has led to high levels of pollution and overall deterioration in the water quality.

Making a Great Lake Superior

The Lake Superior Programs Office demonstrates that alternative service delivery models can work *within* government, if all of the partners are committed to a common goal. Innovative structues can break down the 'imaginary lines' between jurisdictions, departments, disciplines and people.

The case study suggests the following guidelines for creating an alternative service delivery model:

- ✔ If traditional government approaches are not working, do something different.
- ✔ Create innovative partnerships.
- ✔ Take practical steps to work through the administrative lines between departments and levels of government.
- ✔ The achievements of the organization are *the* point.
- ✔ Good people make all the difference.
- ✔ All the partners and details matter — fix the elements that don't work.

Background

Lake Superior is the largest of the Great Lakes and the largest in the world. Of the five, it is the highest above sea level, the deepest, and, in a continuing cycle that takes almost 200 years to complete, serves as the water source for the others and for the St. Lawrence River. With a decreasing level of industrialization around it, Lake Superior is also the most pristine.

The importance of the Great Lakes, and the seriousness of the threat presented by pollution, was underscored when Canada and the United States signed the original Great Lakes Water Quality Agreement in 1972. The agreement requires the two countries to take steps to restore, enhance and protect these waters and to rid them of toxic substances that persist in the environment. A 1987 protocol amending the agreement also requires the two countries to prepare lake-wide management plans and remedial action plans to restore areas that had degraded to the point where fish and wildlife were diseased or endangered, or where pollution required people to limit their use of the waters. The countries' responses to the agreement and protocol are reviewed regularly by the International Joint Commission, an oversight body with joint national-level representation.

What Was Really Being Done to Clean Up the Great Lakes?

After signing the water-quality agreement, Canada and the United States fulfilled their periodic duty in reporting on the progress they were making in cleaning up the Great Lakes and ridding them of persistent toxic substances. The International Joint Commission reviewed these reports and commented on the parties' somewhat restrained efforts in its biennial reports. In 1990, the Commission reported:

> In previous reports, the Commission recommended a binational Great Lakes toxics management strategy be developed, and suggested elements of such a strategy. However, there has been little movement by the Parties to implement an effective overall, coordinated toxic substance control strategy.
>
> A binational, multi-agency, multi-jurisdictional effort is required at a level not yet conceived, much less realized. This effort must expand beyond traditional pollution control efforts and the present work of pollution control agencies, including those responsible for fish and wildlife and public health and welfare. Coordination is needed at the federal and jurisdictional levels in both nations to participate directly in this work.

The Commission recommended that point-source pollution on the upper Great Lakes be eliminated.

The Commission also repeated an earlier call to eliminate point-source pollution on the upper Great Lakes and went further, recommending that the two countries "designate Lake Superior as a demonstration area where no point source discharge of any persistent toxic substance will be permitted."

Canada and the United States listened. In 1990, the Government of Canada established the Great Lakes Cleanup Fund and joined with the Ontario government later that year to create the Lake Superior Programs Office (LSPO). The result of a memorandum of understanding between Environment Canada and Ontario's Ministry of Environment and Energy, the LSPO was part of a five-year plan to help the two government departments, along with Fisheries and Oceans Canada and Ontario's Ministry of Natural Resources, as well as other governments and organizations, to co-ordinate their efforts and marshall their financial and other resources to clean up Lake Superior. The governments of the United States and Canada then signed The Bi-National Program to Restore and Protect the Lake Superior Basin in September 1991.

- If traditional government approaches are not working, do something different.
- It took a new type of organization to work with six governments — Canada, the United States, Ontario, Minnesota, Wisconsin, Michigan — and make progress in cleaning up Lake Superior.

We would not have had the same success in implementing the Canada-U.S. agreement [the Lake Superior bi-national program] *without the LSPO.*
— Griff Sherbin
Environment Canada

How Can a Provincial Officer Represent a Federal Department and a National Government?

Through an arrangement whereby Environment Canada agreed to offset some expenses of a group of provincial employees who had the skills needed to carry out scientific and administrative work, the department gained a powerful presence on Lake Superior.

The LSPO is staffed by five provincial employees reporting to one or more of two federal and two provincial departments: Environment Canada, Fisheries and Oceans Canada, the ministries of Environment and Energy, and Natural Resources. It is the focal point for connections with a dizzying number of government agencies, community groups, private sector partners, academic researchers, tribal councils in the United States, city councils, environmental groups and other interested parties.

The LSPO's manager represents federal programs in discussions and negotiations with representatives of industry, other governments, and the public in the area. He co-chairs, with a U.S. representative, the Lake Superior Work Group, a team of technical and resource people drawn from government and other agencies. Representatives of as many as 18 Canadian and U.S. federal, provincial, state and tribal organizations may participate in work group meetings. The manager is also the Canadian liaison with the Lake Superior Forum, a group of 24 Canadian and U.S. representatives of key stakeholders and interest groups, including environmental groups.

LSPO staff also includes a Pollution Prevention Co-ordinator, a Fish and Wildlife Habitat specialist, Remedial Action Plan co-ordinators, and, as work requires, other scientific, technical and administrative personnel.

The LSPO participated in the development of — and co-ordinates Canadian work under — the Lake-wide Management Plan to restore Lake Superior. It is responsible for developing, preparing and co-ordinating the five remedial action plans targeting particular problem areas, in the Lake's basin and in St. Marys River, for restorative and reparative work.

The LSPO participated in the development of — and co-ordinates Canadian work under — the Lake-wide Management Plan to restore Lake Superior.

We are helping to change attitudes, perceptions and lifestyles by involving people in decision-making.

Does the Ecosystem Approach Refer to Science or People, Perspective or Process?

At the Lake Superior Programs Office we are helping to change attitudes, perceptions and lifestyles for the long term by involving people in decision-making and by demonstrating that a different kind of business is possible.
— Jake Vander Wal
Manager, LSPO

The LSPO brings us all together as a team.
— Bob Thomson
Ontario Ministry of Natural Resources

In its 1992 report, the International Joint Commission had more to say on how Canada and the United States should work to restore and protect Lake Superior and the other Great Lakes. Focusing on the problem of persistent toxic substances, the Commission wrote:

> . . . persistent toxic substances . . . cross jurisdictional, geographic and disciplinary lines that have tended to circumscribe previous efforts to restore and protect the ecosystem. Persistent toxic substances have helped to move the term "ecosystem" from concept to reality, by forcing us to remove those imaginary lines. In their place, we are recognizing that there are no preordained boundaries in the way the natural system functions and in how humans interact with and within it. All parts of the system are now recognized as interdependent.

The Commission went on to suggest a strategy to enable institutions to cross "those imaginary lines":

> . . . a more cooperative, community-based resolution process should be the preferred strategy, one that leads to a partnership among all levels of governments, industry, the broader business sector, various other professional, community and special interest organizations, and citizens.

A partnership-based approach is key to the mandate, philosophy and approach of the LSPO.

Such a partnership-based approach is key to the mandate, philosophy and approach of the LSPO, which describes itself as "community-driven, its purpose being to empower as well as serve the public." The Office considers this openness to be critical to the success of its programs, as all partners become committed to making progress and taking responsibility for the success or failure of efforts: "Participating in improving the environment connotes ownership, and ownership engenders responsibility." By bringing together governments, scientists from various disciplines, community partners and policy-makers, the LSPO demonstrates that the ecosystem approach is not just about science. It is as much about the relationships between people, a more open perspective on problem-solving, and a fully integrated process for defining problems and taking action.

So what Has Environment Canada Achieved through the LSPO?

The truest measure of the success of any government program and community effort is in their demonstrable results.

The truest measure of the success of any government program and community effort is in their demonstrable results. A few of the LSPO's achievements by early 1996, just five years after opening its doors, had been to:

- Help move the development of the Lake-wide Management Plan forward to Stage II;
- Bring work in response to at least one remedial action plan to the point where the area can soon be "de-listed" as an area of concern;
- Involve community partners in cleanup efforts, with private-sector and other government contributions outpacing federal spending by a margin of two to one; and
- Amassing an extensive list of success stories resulting from community efforts to improve Lake Superior's waters and basin.

An additional accomplishment of co-operative efforts under the bi-national program has been the agreement reached between the two countries on common standards for measuring and reporting toxic chemicals in Lake Superior. This makes it easier for Canada and the United States to compare findings and evaluate efforts to reduce loadings of pollutants.

Lake-wide Management Plan

The water quality agreement calls for a lake-wide management plan to be prepared in four stages:
(1) defining the problem,
(2) setting a schedule for reducing chemical and nonchemical stressors,
(3) selecting remedial measures, and
(4) demonstrating, through monitoring, that the contaminants are no longer impairing the health of the Lake.

Canadian and U.S. officials completed Stage 1 of the Lake-wide Management Plan for Lake Superior in September 1995. It listed the nine persistent toxic substances that had been identified earlier and 13 other critical pollutants, and included information on their sources, such as spills, storm sewers, wastewater treatment plants, contaminated ground water and sediments, and airborne substances. The LSPO manager was involved in this process as co-chair of the Lake Superior Work Group, one of several bi-national bodies that provided input to the process. The Stage 1 report was submitted to the International Joint Commission for review and comment.

Immediately after tabling the Stage 1 report, a draft version was published. Stage 2 will provide detailed information on the levels of contaminants such as polychlorinated biphenyl (PCBs), mercury and pesticides, and will set five-year targets to reduce and then virtually eliminate their presence by the year 2020.

Remedial Action Plans

The LSPO is responsible for developing and administering five remedial action plans on the Canadian side of Lake Superior.

The LSPO is responsible for developing and administering five remedial action plans on the Canadian side of Lake Superior — at Thunder Bay, Nipigon Bay, Jackfish Bay, Peninsula Harbour and on St. Marys River. The remedial action plan process involves all of the LSPO partners — Environment Canada, Fisheries and Oceans Canada, and the Ontario ministries of Environment and Energy, and Natural Resources.

Stage 1 of the Nipigon Bay Remedial Action Plan, identifying critical pollutants, was completed in 1991, and Stage 2, a plan to rectify the situation, was tabled in September 1995. The LSPO expects that the final stage, an implementation plan, will be completed in 1996, qualifying Nipigon Bay as the second area of concern to be de-listed in the Great Lakes.

Community Partnerships

Community partnerships fostered with a $3.3-million investment from Environment Canada's Great Lakes Cleanup Fund have generated contributions totalling $8.7 million from 34 organizations for cleanup efforts. The LSPO also works with five public advisory committees that include 75 local people in environmental decision-making.

For example, when the Nipigon Bay town of Red Rock wanted to increase its economic opportunities by building a marina, the LSPO brought forward an application to the Great Lakes Cleanup Fund that would help ensure that the development work was environmentally sound. The remedial action plan team worked with the public advisory committee and the project's steering committee to design and build the world's first ecological breakwall. By adding logs, boulders, root wads and log crib shelters to the inside of the breakwall, the community was able to create a habitat that could accommodate diverse species of aquatic life. The project also constructed two islands, complete with native vegetation and underwater structures. Since the project was completed, scientists have documented spawning by lake trout and lake whitefish. The full-service marina will have docking facilities for 253 boats and will enhance, not diminish, the ecosystem of the Bay.

The Red Rock marina project also received contributions from the Ontario government, the community, including topsoil for the breakwall and an old truck weigh scale (valued at $45,000) for use as a platform for the pedestrian bridge, volunteer work by the Horticultural Society and fund-raising by the Red Rock Fish and Game Club.

Community Efforts

The LSPO has been particularly successful in bringing community members and local industry together to plan environmentally sound projects and to repair the damage caused by past abuse. For example, in summer 1993, the "Wake Up to Your Waterfront" campaign brought together 2,500 people in the Thunder Bay area, representing communities, organizations, industries, or just themselves, for a massive shoreline cleanup. Over two days, the volunteers worked a total of 5,000 hours and collected 55.5 tonnes of garbage, not including wood debris, from 125 kilometres of shoreline. The enthusiasm generated by this effort has made the event an annual one, adding an industrial challenge, as waterfront industries vie for a trophy for doing the best job of cleaning up their industrial property. This successful venture has spread around Lake Superior and to lakes in western Canada, the southern United States and other countries.

It's Messy. And It Works!

> *It is the most complex and most effective — broad-thinking and integrating — system I've ever seen. It gives staff the scope to do problem-solving on a wider scale.*
> — Marilyn Fesnak
> Ontario Ministry of Environment and Energy

An organization chart of the LSPO, showing its relationships with national, provincial, state and local governments and community groups, its reporting arrangements to two levels of government and four departments, its liaison work with consultative and advisory committees, its collaborative efforts with academic and research institutes, its responsibilities for remedial action plans and its involvement in the Lake-wide Management Plan, would look something like a mishmash of overlapping spider webs. It wouldn't be pretty.

While it is difficult to gain an overview of the LSPO's important functional roles in restoring Lake Superior, it is much easier to gain an appreciation of the way that the few individuals working there connect to key people internationally, nationally, provincially and locally, and work with them to effect change. The Office is able to offer a rich cross-section of government programs and expertise right in the community where the work needs to be done. Marilyn Fesnak describes this blend of program, scientific and administrative ability as a diagonal slice out of a grid of government departments and programs, and the various disciplines — policy-making, consultation, research, management and administrative support — required to sustain each of them. She acknowledges that the arrangement may look unfocused, but states emphatically that it is a model of effectiveness.

It is easy to appreciate how the few individuals at LSPO connect with key people and work with them to effect change.

John Hartig, an environmental scientist with the International Joint Commission and a member of a team conducting a formal evaluation of the LSPO, says that the key to making this “place-based management” system work is “consistent support from all partners.” He points out that the complexity of the arrangement can sometimes lead the people involved to “dicker over small amounts of money, but the LSPO has been very effective in getting stakeholders to move forward on the big issues.” In addition, he emphasizes that the LSPO “is delivering ecosystem results” and states that the Office has “scientific credibility, strong working relationships and an excellent staff.”

Indeed, Jake Vander Wal credits staff efforts for the success of the enterprise:

> Staff members are accountable to the agencies they represent, but the success of the LSPO is based on a willingness to go beyond traditional roles and to work towards a collective goal. The everyday contact and teamwork give the staff an understanding of each agency’s separate mandate, keep them informed about the various programs in the office, ensure the best use of each individual’s skills and expertise for each program, and promote cooperation and innovation in achieving solutions.
>
> This entrepreneurial style is results-oriented, flexible and adaptable to the changing needs of Lake Superior communities.

To make this work, we’ve needed, and have had, a manager who is a creative freewheeler who can work in a fiscal straightjacket.

With So Many Players, Expect the Unexpected

To make this work, we’ve needed, and have had, a manager who is a creative freewheeler who can work in a fiscal straightjacket.
— Simon Llewellyn
Environment Canada

If they had it to do over again — and they do, as the agreement is due to be renegotiated on April 1, 1996 — Environment Canada officials would nail down a number of important details to make the administrative arrangements run more smoothly. Simon Llewellyn, the Regional Director responsible for the LSPO, lists three areas that will require greater precision and more imagination:

1. Streamline financial transaction vehicles to simplify payment of expenses and receipt of donations and to ensure that federal standards for financial and other transactions are met.
2. Improve reporting and communications to ensure that Environment Canada receives regular and timely reports that provide sufficient detail so that officials are kept fully aware of program activities and relationships with stakeholders.
3. Clarify relationships of organizations and individuals to establish clear expectations for how individuals and organizations relate to one another and to the overall goals of the plans and programs.

While Environment Canada is seeking greater certainty in the design of this arrangement, this may be difficult to achieve, given the uncertainties that all levels of government are facing. The plans of the Ontario government are not yet set. Will provincial cutbacks threaten activity on Lake Superior? Will program cuts reduce governments' ability to make a critical mass of support available to complement industry and public efforts? What of the U.S. government's budget problems? Will government furloughs lead to program or staff cuts? What of other federal and provincial government actions? Fisheries and Oceans Canada has cut their $2.5 million Great Lakes program. Will other departments and ministries abandon their efforts in the Great Lakes, and Lake Superior in particular? The drama of the questions underscores the fragility of intergovernmental arrangements.

Is There a Better Way?

A reporting relationship gives Jake access to this department.
— Marilyn Fesnak

The purpose of the Lake Superior Programs Office is to simplify the interaction of the government levels involved in making the lake a zero-discharge zone [for persistent toxic chemicals]. It is to help us be more efficient.
— Simon Llewellyn

Some government officials involved in the administration of the LSPO ponder the merits of moving towards a more cohesive arrangement wherein governments would pool their program funds to an LSPO reconstituted as an independent agency. Others consider the existing formal reporting relationships to be critical to the success of the Office. With formal links to Environment Canada, Fisheries and Oceans Canada, and two provincial departments, the LSPO has access to key policy makers, a range of program options, and the vast resources of government. It also wears the mantel of government in negotiations and co-operative ventures with the private sector and other governments. This gives it important leverage and credibility in the community. The LSPO manager points to three potentially damaging consequences that could flow from any fundamental change in the organization's reporting relationships:

- "We would no longer be a part of the family." The LSPO would lose its vital inside links to key government agencies.
- "Governments would lose their sense of accountability for success and failure."

"We would no longer be a part of the family." The LSPO would lose its vital inside links to key government agencies.

- "That would suggest that government can't do the job." A fundamental change in administrative structure would be tantamount to an admission that government cannot mobilize to respond to environmental challenges. Jake Vander Wal emphasizes that the LSPO is "about making government work better, not about setting up new structures outside government."
- Going outside government is not always the right answer.
- Imaginative, new ways of working can leverage funds and activity from other sectors even when government coffers dwindle. Look to alternative models to make the most of limited program dollars.

Lessons Learned

✔ **Create innovative partnerships**
Environment Canada didn't have staff where it needed people — right on Lake Superior. This creative partnership provides experienced, expert personnel already on site, from within the provincial government.

✔ **Take practical steps to work through the administrative lines between departments and levels of government**
Breaking down institutional barriers is important in many realms of decision making, not just the environment.

To measure the success of an enterprise, look at what is actually being achieved.

✔ **The achievements of the organization are *the* point**
To measure the success of an enterprise, don't look at the standard of an impossible ideal or of a bureaucratic norm. Look at what is actually being achieved.

✔ **Good people make all the difference**
Any organizational model — no matter how complex and how messy — can work if it is powered by talented, creative, committed individuals working towards a common goal.

✔ **All partners and details matter — fix the elements that don't work**
Details slow down important work — fix the administrative arrangements that cause problems for any of the partners.

Conclusion

The LSPO is indeed a "messy" administrative structure, but it works and works well. The structure requires fine-tuning to improve reporting requirements, accounting procedures and expenditure control, but it is essentially a highly successful alternative *government* enterprise that serves its clientele remarkably well.

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Toronto Waterfront Regeneration Trust

> *The water was getting dirtier and it was no one's fault.*
> — Ron Doering
> Former Executive Director
> Royal Commission on the Future of the Toronto Waterfront

Overview

In 1988, nobody disputed that Lake Ontario needed regeneration. The International Joint Commission (IJC), an oversight body with joint national-level representation that oversees government action in the Great Lakes, had identified eight areas of concern on the lake and an additional area of concern in the Niagara River, connecting Lake Ontario to Lake Erie. While there was unanimous agreement that there was a problem and that something had to be done, there was no agreement among the responsible parties on what to do and no mechanism to move matters forward.

There was no agreement among the responsible parties on what to do and no mechanism to move matters forward.

A particular challenge was the Toronto waterfront, with its heavy industrialization, high population density, overlapping jurisdictions and over-development.

Background

In March 1988, the Government of Canada established a royal commission to "inquire into and make recommendations regarding the future of the Toronto waterfront." When the Commission released its first interim report in 1989, the Ontario government joined the federal government in endorsing it and added a complementary mandate, asking the Commission to report on "waterfront development issues along the entire western basin of Lake Ontario". This established the Royal Commission as only the second in history to serve two levels of government.

Governments tend to operate as silos, despite the best efforts of very competent and effective bureaucrats.

The story of the Royal Commission on the Future of the Toronto Waterfront, and of the Waterfront Regeneration Trust, the organization that succeeded the Commission, is one of innovation in institutional models and processes. These innovations enabled governments, through the work of these agencies, to:

- Introduce the ecosystem approach to policy development,
- Involve the public in issue resolution in a meaningful way,
- Move public agencies to action without resorting to formal authority,
- Leverage private resources to further the public interest, and
- Create public policies that have widespread support.

Acting in the Spaces Between Jurisdictions and Disciplines

Governments tend to operate as silos, despite the best efforts of very competent and effective bureaucrats.
— David Carter
Deputy Commissioner
Waterfront Regeneration Trust

The Commission's analysis of the waterfront's problems suggested that they needed to be addressed in new ways. In its second interim report, *Watershed*, the Commission called on governments to take an ecosystem approach to dealing with the issues and problems, looking at the impact of any and all actions and policies on the environment in the broadest sense, including the implications for the health of the community, the economy and future generations.

Governments and the public responded positively to the report and its advocacy of the ecosystem approach to cities. This integrated approach places the environment first and centrally in analysis and decision-making, and recognizes that decisions taken in one area, such as the economy or social welfare, affect all other systems.

According to the Royal Commission, an ecosystem approach:

- *Deals with natural, physical, economic, social and cultural environments*
  The approach focuses on the whole system, not just parts of it; it recognizes that humans are part of nature, and deals with the interrelationships among elements of the ecosystem, such as between species and between urban and rural areas.

- *Looks at the impact of a course of action in future years*
  Decisions are placed in a dynamic context and are viewed not as still photographs but as moving pictures. The process considers carrying capacity, resilience and sustainability, and recognizes both that there are limits to human activity and that decisions today affect future generations.

- *Crosses artificial barriers*
  The ecosystem approach bases analysis on natural geographic units, such as watersheds, rather than on political boundaries, and links all levels of government activity.

- *Measures progress by the quality, well-being, integrity and dignity accorded to natural, social and economic systems.*

Some of these key individuals "had never worked with or even met each other before."

The Commission, which had involved experts and stakeholders from many disciplines, governments, agencies and organizations in collaborative efforts, later reported that, although they worked to a common purpose, some of these key individuals "had never worked with or even met each other before." In its final report, the Commission commented:

> In the three years of its life, the Commission created 16 different teams to prepare reports, always drawing members from different sectors, backgrounds, and interests: developers began talking with environmentalists, traffic engineers with landscape architects, scientists with community activists, and federal public servants with city officials. This often led to consensus, trust and promotion of partnerships that would not otherwise have emerged.

While the Commission identified jurisdictional and disciplinary fragmentation as problematic in environmental work, others also saw it as counter-productive. In 1990, the federal Auditor General, in an annual report that explored how Canada's constitutional divisions affected environmental actions, commented on how the division of responsibility for the environment, and the related-but-separate mandates of government departments, had hindered action:

> The consequence of these federal-provincial and interdepartmental divisions in responsibility for environmental matters is a patchwork that makes it almost impossible to assign public accountability for safeguarding Canada's environment. There is no focal point of responsibility or accountability to the Canadian people in respect of this crucial issue.

In its final report, *Regeneration*, the Commission referred to this problem as "jurisdictional gridlock." Ron Doering, the Commission's former Executive Director, describes the dilemma for environmental issues as "horizontal problems being dealt with by vertical organizations." What was needed was an agency that would provide a focal point for accountability and the public interest.

Influence without Authority

> *Jurisdictional gridlock meant that people couldn't get things done . . . We couldn't do what we're doing — it wouldn't work — if we had power.*
> — David Crombie
> Chair and Chief Executive Officer
> Waterfront Regeneration Trust

While the Royal Commission was able to inspire others to action, it did so without the mantle of legal authority or the power to order compliance. Instead, it worked to reconcile competing interests, find common ground among stakeholders and identify realistic solutions to previously intractable problems. This informal influence proved more effective than any direct authority and enabled the Commission to have an impact on a wide range of matters. The Commission's leadership recognized that, while bureaucracies may respond effectively to direct orders to act, they are unlikely to take direction from a regulatory or oversight body on matters that are outside the jurisdiction of that body. They can, however, be persuaded to act out of self-interest in a common cause.

In *Regeneration. Toronto's Waterfront and the Sustainable City: Final Report*, the Commission described its model of influence without authority:

> Just by providing "good offices" the Commission was often able to help a stalled process move forward; creating a steering committee, calling a meeting, acting as a facilitator (and sometimes mediator) allowed the Commission to analyse issues and promote change, breaking out of long-standing jurisdictional gridlock. Because the Commission was only advisory, took away no one's jurisdiction, and was temporary in its duration, it could act as an honest broker, to a greater degree than could a permanent body with legal powers.

Just by providing "good offices" the Commission was often able to help a stalled process move forward.

As an example of this jurisdictional gridlock, the Commission told the story of the ferry *Prince Edward Island*, owned by a local Ontario company. In 1986, it had taken on a cargo of two transformers filled with PCBs, intending on becoming a floating generating station in the Caribbean. That deal fell through, however, and the ferry was locked in Whitby harbour for three years while jurisdictional wrangles ensued over its fate. Throughout this time, Transport Canada collected docking fees from the owner, Environment

Canada blocked efforts to move the ferry because of the PCBs on board, and the town of Whitby and the province of Ontario could not act because the harbour was under federal jurisdiction. In the intervening years, the ferry broke its moorings twice and, in December 1990, sank to the bottom of the harbour. The very fear that had triggered concern among the various levels of government was realised because of their inability to sort through their responsibilities and interests.

The very fear that had triggered concern among the various levels of government was realised because of their inability to sort through their responsibilities and interests.

Ron Doering points out that, with more than 100 government, regulatory, environmental, for-profit and not-for-profit organizations involved in managing the Toronto waterfront, the introduction of yet another authority would have had little impact.

Bringing Together People, Ideas and Money

> *. . . help us find out how to make our lake publicly accessible, fishable, drinkable, and swimmable. This cannot happen while the rivers that empty into the lake are contaminated, the air that connects to it is dirty, the groundwaters polluted, and the soils through which they pass contaminated.*
> — Public comment reported in *Regeneration*

The federal government responded to the Royal Commission's final report on the day it was released, agreeing with its recommendations and immediately implementing some of them. The Ontario government agreed to prepare legislation creating a separate agency to implement other recommendations. The Waterfront Regeneration Trust Act of 1992 established the successor organization as a provincial crown corporation. The Trust maintained the offices and staff of the Royal Commission. Its status as a Schedule 3 agency means that it can receive contributions from the private sector and other governments.

Complexity cannot be managed, intellectually or practically, through increased control or top-down management. There is nothing linear about the environment. We needed to be flexible and adaptive.

The mission of the Waterfront Regeneration Trust is "to bring together people, ideas and money to invest in the revitalization of a provincial resource — the Lake Ontario waterfront." The Trust is loosely organized, with three broad program areas:

- Lake Ontario;
- the central waterfront around the city of Toronto; and
- partnerships with communities, businesses, and other organizations and members of the public.

Its board of directors represents the community at large.

Ron Doering respectfully calls the Trust's organizational model "messy," but points out that many successful environmental organizations are not good theoretical models, while many excellent theoretical models are unable to get the job done. He says "Complexity cannot be managed, intellectually or practically, through increased control or top-down management. There is nothing linear about the environment. We needed to be flexible and adaptive."

The people working for the Trust are comfortable with the organization's position, at arm's length from the government, working in the spaces between the mandates of other organizations and governments. Suzanne Barrett, the Trust's Director of Environmental Studies, says, "We create structures within which people can cooperate. We work where we can add value. Where others are doing well, let them get on with it."

The Importance of Talking and Listening

> *We were all teachers. We had a good, healthy respect for, and were excited by, teaching and learning.*
> — David Crombie

David Crombie says that "the talking and listening were vital" to the success of the Royal Commission and to the work of the Waterfront Regeneration Trust. Staff, working with expert advisors, would spend hours mulling over real-life problems. They believe that this process enabled them to really "get to know the terrain" and contend that others, taking the same approach, would reach the same conclusions about difficult environmental issues.

The challenge is creating a future waterfront that maintains its health and diversity.

Resolving waterfront issues often includes balancing competing interests and objectives among interested parties. To increase public access, for example, a move to unlimited access can overrun sensitive natural habitats or quiet towns and villages. This challenge is articulated in *Lake Ontario Greenway Strategy*, published by the Trust in 1995:

> The danger, in part, is trying to meet every need everywhere along the waterfront. The challenge is creating a future waterfront that maintains its health and diversity by enhancing facilities for human visitors in some areas, enhancing opportunities to live or work in others. Reaching agreement on how this diversity is allocated, and designing with nature so that the environmental priorities of the waterfront are respected, are no small tasks.

The strategy is a call to action to "regenerate a healthy and sustainable waterfront that is clean, green, accessible, connected, open, useable, diverse, affordable and attractive."

Suzanne Barrett describes the Trust's work model as "Research, analyze, consult, conclude." When it developed the *Lake Ontario Greenway Strategy* over a period of three years, for example, the Trust undertook extensive original and secondary research, involved members of special-interest groups and government communities in advisory committees, and invited other members of the public to take part in workgroups and discussion sessions. When it was made public, the strategy was not presented as a *fait accompli* but developed with members of the communities that would implement it. The strategy therefore won wide acceptance and is helping to guide government and other action along the Canadian shoreline of Lake Ontario and deep into the surrounding lands.

Consensus-based Decision-Making

The talking and listening process so valued by the Waterfront Regeneration Trust is part of a consensus-based approach to analyzing problems and recommending solutions. In many circumstances, this approach can bring seemingly incompatible interests together. Indeed, as the Trust noted with respect to a package of actions it was recommending to manage development plans in the Westside Marsh, the alternative involves costs for all:

> The alternative to this package is litigation and conventional tribunal review, the outcome of which is difficult to predict. However, there are some certainties associated with litigation, including delay, contention, acrimony and legal expense.
>
> Under this proposal, every stakeholder group must make some contribution, but we believe each would have a substantial gain. Most important, there is a resolution in sight, and an opportunity to choose a plan that will result in progress and community stewardship of the waterfront.

The consensus approach initiated by the Royal Commission and continued by the Trust was endorsed by the National Round Table on the Environment and the Economy, which published a set of guiding principles for consensus-based processes [See box]. The Round Table also notes that some situations are not suited to a consensus process and lists questions that can help gauge the suitability of consensus to resolve a given problem.

Could You Please Build a 300 km Trail in Three Years?

We did it their way.
— David Crombie

The Trust and its many partners have built a trail that is largely accessible to wheelchair users and cyclists.

When the Waterfront Regeneration Trust was created in 1992, one of its objectives was to create a waterfront trail and associated green or open spaces around Lake Ontario. Over the next three years, the Trust worked with 44 communities, six conservation authorities, the federal and provincial governments, service clubs, biking clubs, jogging groups and private companies to create a 300-km trail. The Trust and its many partners have built a trail that is largely accessible to wheelchair users and cyclists and that is an interesting and varied route for walkers and joggers. The trail's route follows existing paths wherever possible and is dictated by the opportunities and barriers created by geography and land forms, history and cultural heritage, wetlands, shore types, archeology, and tourism and recreation opportunities.

The Trust was able to generate donations from other levels of government, the private sector and community groups that were double the contribution of the provincial government. It also took advantage of existing capital works programs to build connecting bridges and other elements that tie the pieces of the trail together.

Guiding Principles for a Consensus-based Decision-Making Process

- *Purpose-driven*
  People need a reason to participate in the process.
- *Inclusive, not exclusive*
  All parties with a significant interest should be involved.
- *Voluntary participation*
  The parties can leave at any time.
- *Self-design*
  The parties design the consensus process.
- *Flexibility*
- *Equal opportunity*
  Equal access to relevant information and the opportunity to participate throughout.
- *Respect for diverse interests*
  Acceptance of the diverse values, interests and knowledge of the parties involved.
- *Accountability*
  To their constituencies and to the consensus process itself.
- *Time limits*
  Realistic deadlines are necessary throughout the process.
- Implementation
  A commitment to implementation and effective follow-up monitoring.

— National Round Table on the Environment and the Economy

The Trust's approach to communities it invited to be part of the trail was to follow the municipalities' lead. With respect for municipal decision making and private property as core values, the Trust's approach was to say, "If you don't want us, we're gone." Indeed, initially one community could not see a way to participate, so the Trust is waiting for their leadership in developing a route for the trail in that area. Other communities situated beyond the reach of the new trail have asked that it be extended to their areas. As David Crombie describes this approach, quoting a saying of the Quakers, "The way to proceed is as the way opens."

Could You Help Us Clean up Six Rivers and 45 km of City Waterfront?

> *We shouldn't have any illusions; Toronto will be the last Lake Ontario area of concern to be de-listed* [but] *what we'll see* [when the Waterfront Regeneration Trust and the Metro Toronto Region Conservation Authority take over administration of the Remedial Action Plan] *will be more like a symphony than the tuning of instruments that we've had so far.*
> — David Crump
> Ontario Ministry of Environment and Energy

The success of the Waterfront Regeneration Trust in helping people and institutions work together to make things happen has led to additional demands on its expertise. For example, the Remedial Action Plan (RAP) to regenerate the waterfront of the City of Toronto and adjacent municipalities is widely seen as the least successful and most slowly progressing RAP in Lake Ontario. To move the process forward, the RAP's steering committee recommended that the Waterfront Regeneration Trust and the Metro Toronto Region Conservation Authority serve jointly as stewards of the clean-up process. Indeed, the consultants who developed this plan concluded that the Trust would contribute a "proven ability to facilitate and motivate action toward restoration at the municipal level."

At a meeting of the Public Advisory Committee to the RAP process, the proposal received support from all sectors, including the federal and provincial governments. If the plan receives final approval, the Waterfront Regeneration Trust will bring its traditions of respecting community leadership, consulting extensively, basing decisions on consensus views and taking an interjurisdictional approach, to the Remedial Action Plan.

As David Carter, the Deputy Commissioner of the Waterfront Regeneration Trust, points out, "There is no structural magic to the Trust's administrative model; the methods themselves are the model."

There is no structural magic to the Trust's administrative model; the methods themselves are the model.

Lessons Learned

- ✔ **A separate, independent agency, taking a comprehensive approach to issues, can bridge the gaps between governments' and departments' jurisdictions and offer a focal point for public accountability.**
  The Waterfront Regeneration Trust could have been constituted as a heavy-handed quasi-governmental agency that used authority to win piecemeal action from reluctant participants. Instead, an agency at arm's length from government was created to wield the much more powerful tool of influence.
- ✔ **When power doesn't work, create structures that use influence to get the job done.**
  The Waterfront Regeneration Trust has been successful in influencing others to take responsibility and to act to regenerate Lake Ontario. The Trust's management believes that formal authority would hinder it in these efforts.
- ✔ **Do what others are not already doing and bring the pieces and the people together.**
  When the problem rests in the gaps between organizations and jurisdictions, create an organization and a process that will work within these gaps.
- ✔ **Research, analyze, consult, conclude — and do it with the communities concerned.**
  By consulting community members throughout the strategic development process, the Waterfront Regeneration Trust builds community acceptance into its plans.
- ✔ **Talk and listen. Where possible, show parties how a consensus approach can help them achieve their goals and avoid the costs and losses inherent in legal wrangling.**
- ✔ **Recognize the sophistication of local authorities and respect their decisions on local matters.**

Service Operational Improvements

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Human Resources Development Canada: The Service Delivery Network

Overview

In response to the reductions required by the 1995/96 federal budget, Human Resources Development Canada (HRDC) rethought its vision and plan for its Service Delivery Network (SDN).

HRDC: The Service Delivery Network

The SDN is a useful service delivery model because it:

- ✔ Provides an innovative model in a departmental context where the federal government will retain active involvement;
- ✔ Incorporates the trend in governance to decentralize, consolidate and devolve authority;
- ✔ Demonstrates the developmental value of a strategic vision;
- ✔ Is a nation-wide structure designed to be flexible and provide a venue for the delivery of services other than those of HRDC.

Background

November 1993 Late in 1993, the government created Human Resources Development Canada to reform the delivery of social service programs. HRDC became responsible for income support, unemployment insurance, employment and training assistance, labour and workplace-related activities, and the management of health and social support transfers to the provinces.

The creation of HRDC initiated an examination of ways to improve client service delivery. HRDC recognized that the changing environment required changes in culture, attitude, management and philosophy. A vision began to evolve in response to new directions.

> "We had a vision of service delivery and ideas to better integrate various programs and services into single access points."

March 1995 The 1995–96 budget required the Minister to reduce HRDC expenditures by $600 million in 1995–96 and $1.1 billion in each of the two subsequent fiscal years. These cutbacks meant staffing reductions of 5,000 full-time equivalents (FTEs) by March 1997; approximately a 35% staff reduction at national and regional headquarters and a 17% staff reduction in local, front-line offices.

> "That was the big one. The financial decision caused us to rethink service delivery. We had to instantly and fundamentally rethink."

> "The integration of the new department, and the hard cuts, provided convincing arguments for a new form of service delivery. Staff and management went through an intense consultation process."

The changing environment required changes in culture, attitude, management and philosophy. A vision began to evolve in response to new directions.

The Minister introduced a Service Delivery Plan to address budget reductions and improve access to services.

August 1995 The HRDC Service Delivery Vision was completed, providing the framework for the future.

> "HRDC provides quality service to Canadians who require income support, information and specific services for self-reliance, and a safe, fair and productive workplace, through an integrated, affordable and flexible network.''

Based on this Vision, the Minister introduced a Service Delivery Plan to address budget reductions and improve access to HRDC services. The downsizing plan included implementing initiatives from current program and functional review processes. The plan also called for a Service Delivery Network which would use front-line offices, kiosks, electronic on-line services and community partnerships to improve access to services for all clients.

The HRDC services to be delivered through the SDN are:

- Income support and supplementation for the unemployed, the disabled, seniors and others seeking retraining or entry into the labour market.
- Information services on current local labour markets, employer/employee rights and obligations in the workplace, employment forecasts, labour standards, employment equity, social areas (child poverty, retirement, etc.), and others.
- Human resource programming services such as assessment, referral and counselling services and learning or development assistance.[1]

> "*One* service delivery network delivers *all* departmental services."

> "Of course, there is a lot of flexibility and variety. You will hear of a client service delivery network for various programs, but they are all seen as part of the HRDC service delivery network."

December 1995 Current initiatives include plans for a Human Resource Centre of Canada (HRCC) in Edmonton, in partnership with Alberta, and a three-government partnership among Winnipeg, Manitoba and HRDC, in a co-located facility, expected to open in Winnipeg.

> "The partnership, in the Winnipeg case, started in 1991 and predates the SDN model. We've been moving this way for some time. The Alberta case is more recent and has moved rapidly."

1 HRDC News Release, August 2, 1995.

April 1997 The Service Delivery Network is 90% implemented.

"Installation and acceptance of the SDN and new technology are scheduled for spring '97. We'll need a year to iron out wrinkles and a two-year operational phase to see how it delivers."

Strategic and Operational Elements of SDN

The SDN will provide Canadians with wide access to HRDC services in an affordable, accountable way. Wide access means that an HRCC, providing basic services, will be within reasonable travelling distance for clients preferring that to a kiosk or the telephone. Some HRDC services may be delivered through another government agency or suitable third party. Except in sparsely populated areas, this objective will be met.[2]

The principles of the SDN model include:

- Putting clients first;
- Reflecting local priorities and building on partnerships;
- Offering more points of service through technology;
- Making in-person service available to a majority of clients;
- Increasing efficiency while reducing cost;
- Treating all regions of Canada equally.

The SDN has an asymmetrical "parent and satellite" structure which provides access to client services in four environments.

- **The home** Approximately 70% of annual visits to current Canada Employment Centres are to obtain information on programs, services, labour markets and the workplace, or to file claims. Most of these services can be accessed from home using telephones, community cable television, mail services and, increasingly, home computers.

  A network of about 15 call centres will provide telephone assistance to clients, particularly for Unemployment Insurance and Income Support services. These centres will use Automated Voice Response (AVR), with personal help always accessible to the client.
- **Self-service Human Resource kiosks** Kiosks will permit greater client access to basic HRDC services. Over the next five years, up to 6,000 self-service kiosks (interactive terminals similar to bank machines) will be in public places like libraries and municipal buildings, as well as HRDC offices. Personal assistance will also be available.

  With the increase in home-based enquiries and kiosk use for information and claim services, the number of HRCCs will drop to 300 from the current 450.

2 HRDC News Release Backgrounder, August 1995.

Multi-skilled, empowered staff will meet specific client requirements on a one-to-one basis or direct clients to self-serve terminals.

- **Satellite Human Resource Canada Centres** These satellite HRCCs will be conveniently located in communities, and will deliver a range of HRDC products and basic services through automated terminals. Guidance from local community or government partners will assist some 200 offices in developing resources to respond to the needs of local clients.

  Multi-skilled, empowered staff will meet specific client requirements on a one-to-one basis or direct clients to self-serve terminals or to HRDC partners at the same location or in the community. There will be limited supervision. Administrative and specialist support will be provided by "parent" centres.

  > The SDN is designed to empower staff and put responsibility and accountability as close to the client as possible.

- **Parent Human Resource Canada Centres** These 100 parent HRCCs, located across Canada, will form the backbone of the SDN. Their purpose is to "maximize delivery responsiveness and processing efficiency."[3] They will provide all HRDC services, be active in communities, and supply leadership and "back end" program processing support to the satellite HRCCs which report to them.

  > Executive management and decision-making responsibility is with the parent HRCC manager. On this premise, we're increasing the classification level to an EX or a PM6.

  > We expect there will be more than 300 offices, both satellite and parent, where the manager will work in community development in partnership with all players and at various levels of government. The location of the offices depends on the volume of the client base and geographical coverage.

An important facet of the SDN is that all elements operate in partnership with provincial/municipal governments, other federal departments, community groups, and possibly the private and non-profit sectors. Partnerships involving co-located services, and sharing administrative and overhead costs, will be established in communities where existing offices are slated for closure.

> We expect flexible local use of the SDN, with different set-ups responding to local needs.

[3] HRDC Service Delivery Vision Paper

Core Issues

Human Resources

The SDN will make HRDC flatter, more flexible and more responsive to clients. Management and staff roles have changed; local decision-making has increased and skill-sets have expanded.

The SDN will make HRDC flatter, more flexible and more responsive to clients.

The HRDC Service Delivery Vision states:

- There is a significant reduction in staff.
- Employees work in an exemplary environment in terms of workplace culture and learning.

> The government buy-out program has been well accepted and we've had very little involuntary dismissal. If we were into involuntary lay-offs, we would be feeling this a bit differently.
>
> The middle managers are the most threatened. They're pushed to devolve all kinds of control and this environment is creating expectations on the part of front-line staff.
>
> The SDN initiative indicates how working within the federal government is changing: responsibility is delegated and front-line staff are empowered. One of the biggest challenges is to get people to adjust to how government will do business in the future.

Where HRDC services are co-located with other levels of government, staff from all levels will share physical plant and common services, such as reception. Staff will be able to respond to a wide range of requests with the power to determine appropriate action.

Accountability

Within HRDC and the SDN, accountability has expanded in two ways:

- Externally, beyond HRDC, accountability now involves partnerships, with shared accountability structures.
- Internally, down the hierarchy to alter staff and management function and responsibility.

Partnerships are expected to cross civil jurisdictions, to include community action groups and, possibly, private and third-sector organizations.

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> The SDN is trying to balance operations with overall federal accountability and responsibility requirements.

Internally, greater accountability and responsibility are being driven down the hierarchy to highly skilled and experienced managers. Front-line, multi-skilled employees will be supported by a range of automated tools. There will be only one level of management below the HRCC director or manager.

> This is what happens with a transfer of power and responsibility: people begin saying, there are lots of things we can do. They start to pull and continuing innovation comes out.
>
> Key elements now are innovation and risk-taking. There is support from senior levels.

Service Quality, Performance and Measures of Success

The SDN vision is to provide quality service for the client in a culture of continuous improvement. Quantifiable productivity rates (clients served, claims processed, etc.) are high despite the magnitude of change resulting from SDN. Such productivity is partly due to staff loyalties to HRDC's clients.

> "The focus of employees has always been very much on client service, more than on HRDC itself."

The SDN framework will focus on improving service in a changing environment, mobilizing community support, helping staff cope and maintaining core services.

In its first two years, the SDN framework will focus on improving service in a changing environment, mobilizing community support, helping staff cope and maintaining core services. It will evaluate speed of service, volumes processed, client surveys and economic impacts. Community leaders and clients will assess how HRCCs perform in their communities.[4]

The SDN aims to maintain service quality and productivity, while reducing costs. Performance measures and standards have been developed through client and staff feedback. Improved service is sought by measuring what clients, and HRDC, value.[5]

Technology

The HRDC Vision states that the purpose of technology is to allow greater choice at more locations for Canadians. Through self-service, clients can pull from what they need from the system or they can meet with multi-skilled employees who provide a range of services. Furthermore, technology makes SDN services easy to share with other organizations and partners.

The purpose of technology is to allow greater choice at more locations for Canadians.

> Processing functions are operations to which you can readily apply technology and re-engineering to reduce cost.

4 Service Delivery Network, Reference Binder (English), October 1995.
5 HRDC Service Delivery Vision, August 1995.

Technology improves access to SDN services and simplifies basic client transactions, leaving the staff to deal with more complex cases. For example, if a change of address message is left on an AVR system, it is electronically entered into the database, thereby freeing up a person's time. Technology helps to focus the service to the need.

> Technology enables downsizing by providing a different way to access services, but you can't put major technology in service overnight. There is a lot of development work in a new system and rolling out releases chunk by chunk.

An estimated 50% of HRDC clients are not technologically literate and lack comfort with a computer terminal. However, client feedback indicates that a large percentage of HRDC clients will use kiosks and other computerized access points if:

- Clients are sure that claims for financial entitlements are not jeopardized;
- They can only obtain information at these points;
- Clients can get into the system within ten minutes and obtain useful information;
- They are literate in either English or French.

Client Focus

The Service Delivery Vision states that a single, client-driven culture will exist based on client choice. Clients will be able to pull down services of their choice in their homes and communities. The SDN is designed to provide more choice and opportunities for these clients.

A single, client-driven culture will exist based on client choice.

> Seniors are a really good example of what the SDN means. Income security programs have about 75 dedicated walk-in centres across the country. With the SDN, we're going to have 300 HRCCs which will provide basic services, including income security programs.
>
> Generations of people access our services. They all have different preferences in terms of technology and human interaction. With the SDN, we are forced to manage client expectations. At one time, we could do almost whatever we wanted in responding to client interests; for 20 years we have trained clients to come into offices to be told what they have to do. We can't do that any more because now, clients will choose their own method of access.

Key Success Factors

- **Political will**
  The SDN has firm ministerial commitment to, and central agency support for, its model and structure.

- **A clear, sound service delivery vision**
  The Vision, developed first, is a primary focus for HRDC and the SDN.
- **Management commitment to the SDN vision**
  Management provides the necessary leadership through commitment to the vision.
- **Partnerships**
  Partnerships will engage communities and other civic structures across Canada and allow shared responsibility within the SDN.
- **A client service culture**
  HRDC staff have a strong commitment to their clients and are dedicated to serving them.
- **Staff buy-in and empowerment**
  Combine staff confidence that the interests of clients are served with empowerment on the front line.
- **An effective training and development program for HRCC managers, staff and partners**
  A major investment has been made by HRDC.
- **A willingness to take risks and innovate**
  This requires senior level support and a willingness to support learning from error.
- **A clear focus on measures of success**
  This must be maintained over time as appropriate measures change.
- **Effective use of technology**
  The SDN incorporates proven technology to offer choice and flexibility to its clients. This technology is appropriately balanced with personal service.

Lessons Learned

✔ The vision must be sold to stakeholders, their support enlisted and their confidence secured. Provide for wide consultation. Decisions concerning infrastructure and organization will find acceptance and fall into place.

✔ Political pressure. Demonstrate how service will be maintained in communities. HRCC managers must be politically skilled when exposed to political interests.

> From the beginning, the challenge was to explain to MPs and politicians why we were moving in this direction and to make them comfortable [that] service in their constituencies would not suffer.

> Departments have had extreme pressure on decisions. HRDC could make rational arguments about how service would be maintained even though jobs and physical plant would change or reduce or close.

- ✔ Managers must get out of administration and into leadership. Managers work directly with staff to build teamwork and co-operation.
- ✔ Place executive decision-making ability in the community, close to clients and their needs. The challenge and strength lie with management, who become the essence of the network.
- ✔ Ensure that new technology is run parallel with previous systems before those systems are eliminated.

> We must be sure, before we cut front-line staff, that the technology and new organization are delivering. Otherwise, we end up with unhappy clients and therefore a lot of very unhappy MPs.

- ✔ Education and communication are critical. Educate and train clients and staff on the new system. Communicate constantly.

> We are going to change lives. It is crucial to offer education and honest, consistent and continual communication.

- ✔ Use principles to entrench quality in the operation.

> People get absorbed in the process of tracking quality instead of improving it. We operationalized quality by putting in place principles for people to follow. We made more progress getting quality into the organization than by establishing processes.

- ✔ An asymmetrical and flexible network, combined with clear accountabilities, produces results. The parts of the network do not correspond in size, shape or position, nor are they arranged around rigid, divisive structures. Thus, flexibility is maintained and empowered, accountable managers can produce results.

> There are some ways — ways we can't know about yet — that the Network is going to get there.

Pitfalls, Concerns and Uncertainties

Partnerships

"Privacy and access issues are a concern with partnerships. The same employee may be providing federal, provincial and municipal client services. The employee/employer relationship, information exchange, access to information; these issues are not yet resolved."

"The SDN has been built on the premise [that] we will be partnering with, at least, provincial governments. But there is a great deal of uncertainty about the current constitutional situation with regard to federal/provincial relationships."

> "We've been planning for, and making commitments to, partnerships for the SDN. We anticipate continuing to do so. If there are further radical cuts, we may not be able to fulfil the agreements we're establishing with partners."

In the past, partnerships with community groups have been cemented with HRDC funding. If funds are not provided at past levels, the commitment to partnerships by these groups could fall.

There is a lack of clarity about the difference between contracting out, partnerships and devolution. Employee sensitivity to the concept of partnerships exits because little difference is perceived between partnerships and contracting out, and the implications of partnerships for human resources and accountability are not clear.

Resources

> We have drawn heavily on the reserves, the energy, of the department. We still face legislative and other changes and we will continue with a known downsizing. We have included these factors in our planning. However, we need a breathing space or we may risk much of what we can accomplish in the next two years.

Summation

The role of the federal government, in the Canadian society and economy, is changing. These changes are characterized by decentralization, consolidation and a devolution of authority. In some cases, the government will completely divest itself of the delivery of services and, for others, it will maintain levels of involvement while sharing responsibility with diverse civil authorities.

Where the federal government must maintain a presence, the Service Delivery Network of HRDC is a precedent-setting initiative. The SDN embraces the changing role of government by consolidating HRDC service delivery and decentralizing authority while placing itself close to the clients and communities it serves. The SDN offers fast, accurate service in a client-focused environment which permits choice.

Beginning with a strategic vision of its direction, HRDC has created an open infrastructure for service delivery which is available to appropriate partners. Its architecture is asymmetrical and flexible and able to house partners with other services and expertise, thereby becoming a Canada-wide service delivery asset for the government. It is possible, in future, that the federal government may need only a small number of such networks to deliver federally based services.

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Citizenship, the British Columbia Region

Overview

In 1993, part of the Department of Public Security was re-named the Department of Citizenship. Its mandate was to issue Certificates of Citizenship to eligible Canadians, 90% of whose applications were accepted.

Given the approval rate, this should have been good news for the department and the government. Swearing the oath of allegiance was the culmination of a dream come true for immigrants who had moved to Canada to start a new life. But there were no kudos, for service was atrocious.

The approval rate was 90%, but the procedures were archaic and process-oriented. There was a two-year backlog of applications. Clients had to conduct all their business in person, requiring an average of 15 to 20 hours of dedicated time to advance their dossier. There were long line-ups and phone calls were not promptly returned.

The February 1995 budget reduced the department's appropriations by 50%. There was also an equivalent cut in staff (full-time equivalents). Given the new reality, the B.C. regional office initiated consultations with clients, community groups and staff in order to draw up a blueprint for an improved service delivery system.

The results were not surprising. Clients wanted a more efficient process and staff wanted to be empowered to make rapid decisions.

Case Description

To this end, management and the front-line staff initiated a series of innovative changes:

- Supervisory positions were eliminated and front-line troops were organized into self-managed work teams. The ex-supervisors became resource persons who provided technical support to the staff teams. This led to a 600% increase in productivity.
- The installation of a national computer system drastically improved the timeframe for verifying and cross-checking applicant information.
- Affected employees were placed in community organizations, making the process more accessible to citizens.

Department of Citizenship (British Columbia)

✔ Dramatic improvements in service can be made without changes to regulations of legislation.

✔ These improvements can be effected even when resources are drastically cut.

New partnerships are being explored to further expand the information flow network.

The potential exists to cluster immigration, citizenship and passport services on a continuum using a common database.

The challenges facing the department were the creation of an improved service delivery mechanism with half the human and capital resources. The B.C. regional office began by consulting its clients, staff and community groups. Together, they achieved results which have improved service and client satisfaction, and increased staff morale.

These innovations were implemented without any legislative or regulatory amendments.

Lessons Learned

- ✔ Consult with clients, involve front-line staff, streamline decision-making and use technology for improving service delivery.
- ✔ Seemingly insuperable obstacles can be overcome.

National Energy Board Electronic Filing

Overview

Each year, regulatory agencies process hundreds of applications and monitoring submissions. The existing system for evidentiary record for all submissions is paper-based, causing enormous expenditures and numerous delays. Amendments and supplementary filings of documents add to the cumbersome timeframe.

After extensive consultations with the oil and gas industry, the National Energy Board (NEB) initiated a pilot project to design an electronic regulatory filing system with a view to moving from the paper-based method to an on-line system. The proposed pilot will have three main components: the exchange of electronic documents; the creation of a public electronic document repository; and optional changes to information systems and internal processes.

The importance of this service delivery model is in the use of information technology to improve client services and reduce costs in complex regulatory proceedings.

Case Description

One of the major challenges will be the development of document standards. This requires the following steps to be taken:

- Analyzing the existing paper flow,
- Developing a consistent model for regulatory business information flow,
- Assessing the impacts of using electronic documents,
- Enhancing regulatory business to take advantage of the system,
- Developing document specifications.

The pilot is expected to be ready for testing and implementation in the 1997–98 fiscal year.

It is expected that quicker exchange of information throughout the negotiations will lead to more rapid settlements. The stored information will be readily available for other users and could be expanded for future use. The electronic registration system will have spin-off benefits through fluid information exchange in the industry.

The associated benefits will be both financial and qualitative. Reduced costs are anticipated for handling, copying, distributing and storing information. At the same time, productivity will be improved, the process will be quicker and a standard will be established for an industry-wide document interchange.

This initiative includes most of the major players in the industry, as well as other federal departments and some provincial utilities.

Lesson Learned

- ✔ The use of information technology to improve client services and reduce costs may also set standards that will speed up the exchange of information within the whole industry.