

BUDGET COMMITTEE – FEBRUARY 19, 2004

CUSTOMER CARE CENTRE PRE-BUDGET APPROVAL

Recommendation

The Commissioner of Economic/Technology Development and Communications, in consultation with the City Manager and SMT, Director of Corporate Communications, and Director of Information Technology (IT) Services, recommends:

- a) That staff presentation outlining costs and benefits related to Customer Care Centre made at the Council/SMT Retreat on February 5, 2004 be received (Attachment A);
- b) That pre-budget approval in the amount of \$530,000 (2004 Capital Budget) is given in order to commence the Customer Care Centre implementation;
- c) That the new position of Customer Care Centre Manager be approved and that staff be directed to report back on the reallocation of Customer Care Agents from within the organization as part of the implementation plan;
- d) That staff be directed to provide notice of an intention to adopt part of the 2004 Operating and Capital Budgets pursuant to the Municipal Act 2001, Section 291 (1) and By-Law 394-2002, Section 4(12); and,
- e) That this report be brought forward to the Council Meeting at which the proposed adoption is to be considered.

Purpose

The total estimated Capital Budget for Customer Care Centre implementation is \$530,000. This expenditure was submitted as part of 2004 Capital Budget. The on-going operating budget for Customer Care Centre is \$440,000 of which \$360,000 will be a reallocation from other departments. This expenditure was submitted for Council approval as part of the 2004 Operating Budget. To immediately begin the Customer Care Centre implementation, a pre-budget approval in the amount of \$530,000 (capital) and \$80,000 (operating) is required.

Background - Analysis and Options

In 2003, Council established the City's strategic direction – VaughanVision 2007. The basic principle of VaughanVision is "Citizens First through Service Excellence". With this in mind, staff analysed the methods by which citizens interact with the City in order to identify any opportunities to improve the quality of such interactions.

Majority of the interactions between citizens and the City are conducted over the telephone. A preliminary review of the "quality" of such interactions was conducted in the Summer of 2003. Interviews were conducted with various departments to assess call volumes, nature of interactions with citizens, call handling procedures, issues handling procedures, and most importantly, customer service levels. Outside organizations were also contacted to review their customer service practices.

Preliminary assessment results revealed that the City's current call-taking practices do not align well with "Citizens First through Service Excellence" principle of VaughanVision. To achieve Service Excellence, a dramatically different approach to call-taking is required.

Options

Create a Customer Care Centre to effectively service customers, champion customer issues, and expedite service delivery to customers. Based on research of best practices in the area of customer service, corporate Customer Care Centres were found to be most effective at increasing service levels, customer satisfaction, corporate perception, and service delivery efficiency.

Details of the preliminary assessment, costs, and benefits were presented to Council at the 2004 budget meetings held during February 4 – 6, 2004. A copy of the presentation material is attached (Attachment A).

Relationship to Vaughan Vision 2007

This report is consistent with the following strategic priorities previously set by Council:

- 1.0 Service Delivery Excellence
- 6.4 Communications and Public Relations – Strengthen Corporate Image and Identity
- 7.0 Technology and Innovation

Conclusion

Based on preliminary assessment results of the City's current call-taking practices, an opportunity was identified to improve overall customer service level. By creating a Customer Care Centre, the City's call-taking practices will effectively align with "Citizens First through Service Excellence" principle of VaughanVision.

The total estimated implementation cost of the Customer Care Centre is \$530,000. This is a one-time start-up cost which consists of the following:

Implementation Consultant	\$90,000
Staff Training	\$35,000
Workstation & Equipment Setup	\$50,000
Business Knowledge Database	\$100,000
Telephony Applications	\$150,000
Citizens Relationship Management	\$50,000
Marketing & Promotion	<u>\$55,000</u>
Total 2004 Capital Budget Request	<u>\$530,000</u>

This amount was submitted for Council approval, as part of 2004 Capital Budget development process.

It is estimated that an on-going annual operating cost of the Customer Care Centre will be \$440,000. This amount consists of the following:

Customer Care Centre Manager	\$80,000
Customer Care Centre Agents (6)	<u>\$360,000¹</u>
Total 2004 Operating Budget Request	<u>\$440,000</u>

¹*It should be noted, that the Customer Care Centre staff would be reallocated from other departments. Therefore, the associated expenses are to be reallocated from other departments' budgets.*

The estimated salaries for Customer Care Centre staff are subject to the City's job evaluation process. All staffing issues will be coordinated with the City's Human Resources department.

Should Council concur with the proposed increase in the expenditure, this action would be considered an adoption to part of the 2004 Operating and Capital Budgets. Pursuant to the Municipal Act, 2001 Section 291(1), before adopting all or part of the budget, a municipality shall give notice of its intention to adopt all or part of the budget at a Council meeting. In accordance with By-Law 394-2002, Section 4(12), notice of an intention to adopt all or part of a budget consists of publication notice in a newspaper of a public meeting to consider the proposed adoption at least 14 days prior to the date of the Council meeting at which the proposed adoption is to be considered.

Attachments

Attachment A – Customer Care Centre, “Citizens First through Service Excellence” presentation.

Report prepared by:

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Respectfully submitted,

Frank Miele, Commissioner
Economic/Technology Development and
Communications

Dimitri Yampolsky, Director
Information Technology Services

Customer Care Centre

“Citizens First Through
Service Excellence”

February 5th, 2003

Agenda

- Background
- Findings
- Opportunities
- Costs
- Benefits
- Implementation Plan & Timelines

Background

- VaughanVision
 - Summit / Retreat Results
 - Service Excellence
 - Efficiency
- Initial Assessment
- Work Team Established
 - Preliminary Findings
 - Final Report

Findings

- 9,062 calls received in 5 days within the study group
 - 55% inquiry type
 - 45% actionable
- 726 misdirected
- Average duration of call between 47 seconds and 3.4 minutes

Findings

- **Confusing Access to City Services**
 - 6 “primary” numbers
 - 22 department-specific call centres
 - 5 special purpose hotlines
- **Many misdirected calls**
- **Inconsistent Service Levels**
- **Inconsistent tracking, follow-up, closure, and analysis of calls/issues**
- **No single access point**
- **No quality measures**
- **Room for improvement in ownership and accountability**

In-coming Lines

Call Centres

905/832-2281 City Main Answering Position
905/832-8502 Tax Department Call Centre
905/832-8505 By-Law Enforcement Call Centre
905/832-8562 Public Works Call Centre
905/879-7669 Snow Call Centre
905/879-8989 ITS Help Desk Call Centre

Auto Attendants

905/303-2024 Rosemount Community Centre Auto Attendant
905/303-2069 Parks Development Auto Attendant
905/832-8500 Recreation & Culture Auto Attendant
905/832-8504 Clerks Department Auto Attendant
905/832-8510 Building Standards Auto Attendant
905/832-8511 Building Inspection Auto Attendant
905/832-8521 Economic & Technology Development Auto Attendant
905/832-8525 Engineering Auto Attendant
905/832-8531 Fire Prevention Auto Attendant
905/832-8546 Dufferin Clark Library Auto Attendant
905/832-8554 Dufferin Clark Community Centre Auto Attendant
905/832-8555 Purchasing Services Auto Attendant
905/832-8556 ITS Auto Attendant
905/832-8560 Buildings & Facilities Auto Attendant
905/832-8563 Human Resources Auto Attendant
905/832-8564 Al Palladini Community Centre Auto Attendant
905/832-8565 Community Planning Auto Attendant
905/832-8577 Parks Department Auto Attendant
905/832-8580 City Meridian Mail
905/832-8581 Urban Design Auto Attendant
905/832-8585 City Main Auto Attendant
905/879-8732 Father Ermanno Bulfon Community Centre Auto Attendant

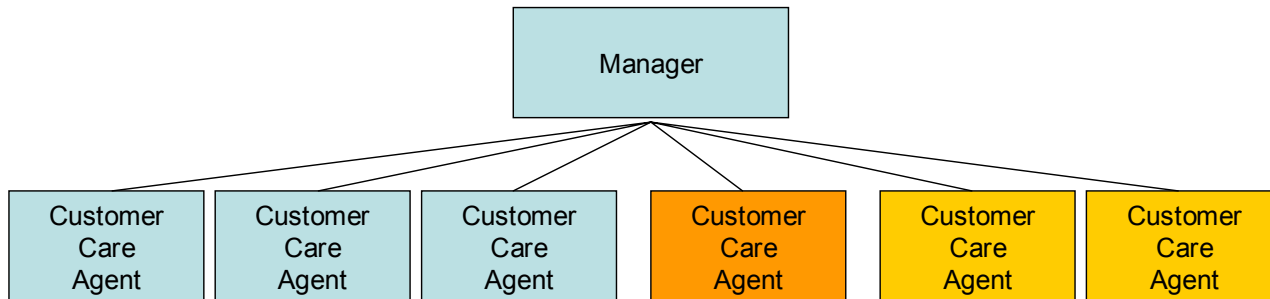
Other




905/303-2056 Summer 2000 Program
905/832-8506 Fire Command Centre
905/832-8600 Meeting Information Hotline
905/879-4357 Vandalism Hotline
905/879-5425 COV Sports Fields Hotline

Opportunities

- Customer Care Centre
 - Best practice (Markham, Mississauga, Hamilton)
 - Case studies (public & private sector)
 - Proven Results
- Key Success Factors
 - People
 - Process
 - Technology
- Structure
 - Staffing Levels
 - Centralized

Organization Chart



-  Positions to be re-allocated from other departments
-  Currently assigned to Information Desk functions
-  Currently assigned to Switchboard functions

Costs

- One-time Start-up - \$530K
 - Implementation Consultant (\$90K)
 - Training (\$35K)
 - Workstation & Equipment (\$50K)
 - Business Knowledge Database (\$100K)
 - Telephony Applications (\$150K)
 - Issues Logging & Tracking (\$50K)
 - Marketing & promotion (\$55K)

Costs

- Yearly Operating - \$440K
 - Manager (\$80K)
 - 6 Agents @ \$50K - 60K – (\$360K Max.)

Note: Operating costs are mostly reallocated from other departments, as Customer Care Centre will be staffed with internal staff without backfills.

Benefits

- Improved perception of municipal services
- Single access point to services – **1-800-Vaughan**
- Receive service on first call (no misdirects)
- Improved & consistent response times
- Highly responsive and service-oriented
- Consistent tracking, follow-up, closure
- Service Benchmarks established
- Proactive issues management
- Ownership of issues and accountability

Benefits

- Improved departmental efficiency
 - Inquiries filtered = freeing up of resources
 - Issues expedited = better performance
- Improved service quality
 - Follow-up and closure
 - Issues expedited through internal departments
- Comprehensive Reporting and Analysis
 - Volumes, types, patterns, etc.
 - Effectiveness
 - Service quality

Implementation Plan & Timeline

- Budget Approval March
- Implementation March – April
- Consultant & Customer Care Centre Manager
- Project Charter & Plan May – September
- Office Space June – July
- Staffing/Training May – October
- Launch September – November

Mayor's Summit – Outcome 9.16.03

- Detailed Implementation Plan – p6
- Financial Justification of Costs – p4
- Quality of Service Achieved – p2,5
- Performance Management Model – p2,5
 - Service level benchmarks for call taking
 - Service delivery benchmarks for service delivery channels
- Call taking methodology for CA's – p2,5
- Centralized vs. De-centralized – p3
- Call taking methodology for departments – p2,3,5
- Training & Education – p6
 - Details to be determined as part of staffing requirements definition and post-hiring of Customer Care Agents
- Customer Care Centre Marketing & Promotion Program
 - Details to be determined as part of launch considerations
 - Ample notice
 - Broad advertising
 - Many options i.e. “Front-ended” by technology

Discussion