



Make it **EASY**

IMPROVING GOVERNMENT CUSTOMER SERVICE
for Small Business in Atlantic Canada



**CANADIAN FEDERATION
OF INDEPENDENT BUSINESS**
In business for your business™

Make It Easy

Improving government customer service for small business in
Atlantic Canada

*Jordi Morgan, Vice president, Atlantic
Andreea Bourgeois, Senior Analyst*

Introduction

“If you want people to do something, make it easy.”

Richard H. Thaler,
2017 Recipient of the Nobel Memorial Prize in Economic Sciences

“Government customer service” is a concept often scoffed at as people recall tales of bureaucratic delays, being sent from person-to-person or department-to-department, endless paperwork and a general lack of helpfulness and accountability. While customer service can make or break a business, governments are seen as large monopolies with little ownership of - or accountability to - their clients. For small business owners, for whom success is often intimately linked with providing good customer service, the contrast they experience when dealing with government can be stark.

With citizen-facing public services, many government departments are beginning to adopt client-centered service strategies. Rather than leaving clients on their own to navigate a complex web of departments and community service, governments are moving toward a “wrap-around” approach, supporting and guiding citizens through all necessary processes.

In contrast, business-facing departments and services rarely employ a client-centred approach in spite of the fact customer-focused service can reduce the cost, time and frustration of government red tape and ultimately help businesses succeed.

This report will examine current perceptions among entrepreneurs and identify how good government customer service isn't just an advantage for businesses, but for governments. Clear, easy-to-find and easy-to-understand information when connecting with a business owner reduces the need for follow-up inquiries, improves compliance, reduces demands on enforcement, and improves productivity for both government and businesses.

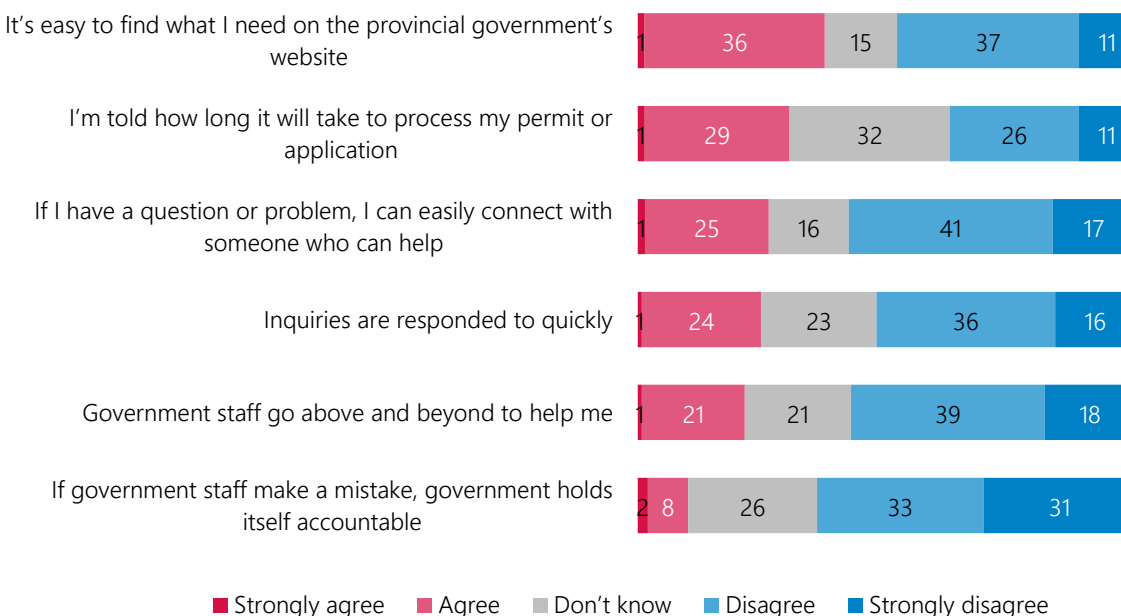
Findings

Evaluations of customer service provided by government agencies and/or departments show that while there are some positive points, there is a lot of room for improvement (see Figure 1). The ease of finding information on government website gathers the most positive reviews. About one-third of respondents agree that it is easy to find what they need on the provincial government's website, while about one-in-two disagree strongly or somewhat.

Almost one-third of respondents agree that they are told how long it will take to process a permit or application while 37 per cent disagree and another 32 per cent don't know. Only one-in-four agree that when they have a question or problem, they can easily connect with someone who can help, while almost twice as many disagree. Similarly, about 24 per cent agree that inquiries are responded to quickly while 52 per cent disagree.

Figure 1:

When thinking about your interactions with the provincial government, to what extent do you agree or disagree with the following statements? (% response)



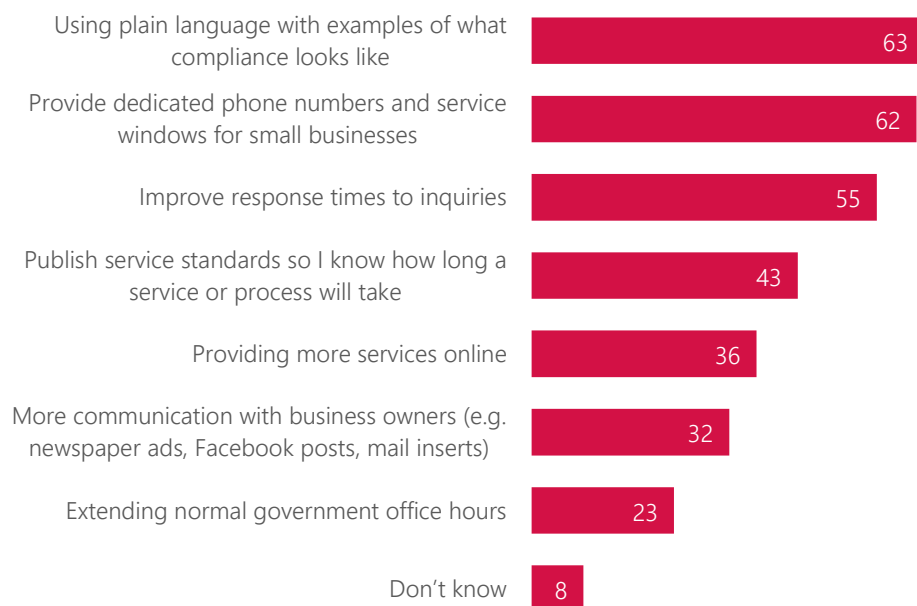
Even poorer results are found when asking business owners if government staff go above and beyond to help them. About one-in-five agree while 57 per cent disagree. The lowest ranking evaluation is for government staff being accountable when they make a mistake. Only 9 per cent agree that the staff is accountable for their mistakes while 64 per cent disagree.

Among the actions that government can take to improve its customer service, the top three focus on improving clarity of information, access to information and timeliness. In fact, almost two-thirds of entrepreneurs suggest that government use plain language with examples of compliance for rules and regulations. Just as many business owners encourage government to use dedicated phone numbers and service windows for small businesses. Several private sector entities, such as banks, offer this already and government could use the same approach. About one-in-two business owners would like government to improve response times to inquiries.

About four-in-ten business owners would like government to publish service standards so that they would know in advance the amount of time required for a specific question or inquiry to be solved. Several departments already have internal standards but there is no general approach and often times the standards are not public.

Figure 2:

What should government do to improve customer service (% response)



About one-third of respondents suggest governments provide more services online and about the same encourage governments to have more communication with businesses via newspaper ads, mail inserts or social media. About one-fourth of entrepreneurs support extending normal government office hours. Several departments (such as the Service NB, Service PEI, etc.) already practice longer opening hours on specific days and this approach can be something that other departments should look into.

Case study: Nova Scotia's Business Navigators

In 2014, the Office of Regulatory Affairs and Service Effectiveness was formed in Nova Scotia. With an equal focus on reducing red tape and improving government customer service for businesses, the Office started a Business Navigation Service. Instead of a business owner being left on their own to navigate all the rules and requirements by contacting different departments, a Navigator provides a single government touch-point and works with the necessary departments to gather what is required by the business owner.

In addition to being a single access point, the service operates in a "case-management" style meaning that a Navigator takes ownership of the client's needs and works one-on-one with the clients until the need is met.

By the end of 2018, the Business Navigators had worked with 3,000 start-ups and businesses and the feedback received by their clients has been overwhelming positive.

In their own words ...

Government customer service includes “soft” skills that can create or reduce red tape. Effective communication, timely service, helpful interactions, and accountability all play a role in removing barriers to government services. CFIB members in Atlantic Canada point to many different examples of good service they received from their provincial government in the past three years (see Table 1 in Appendix A). There are also numerous examples of poor customer service business owners received from various government departments or agencies (see Table 2 in Appendix A).

Recommendations

1. Expand the principle of client-centered service to small business-centered service in business facing departments

Business owners need information from government all the time. When they are looking for something, entrepreneurs want to be able to find *accurate information, easily and quickly*, be *able to understand it* and be confident that if the information is not accurate, the government agent will be *accountable*. Small business-centered service should focus on four key elements across all interactions: **findability**, **accuracy**, **understandability**, and **accountability** (see Figure 3).

Figure 3:

Small business centered service model



Findability

A big challenge for small business owners is to navigate government's bureaucracy to figure out where the information is housed or who can answer questions or provide the service they need. Easy access to information is critical to serving small businesses in the most efficient way.

Government websites are frequently the first point of contact and best practice is to have user-focused, intuitive design in websites that are easy for an ordinary person to navigate. Business owners also need to be able to connect with government agents when they need further clarification and advice, or to access a service. Hence, all webpages should contain appropriate, up to date contact information. Departments must also have processes in place to deal with inquiries effectively, including voicemails or covering for absent employees.

Accuracy

Information provided to business owners should be both accurate and complete. Business owners will make decisions based on the information provided. Inaccurate or incomplete information may place a business owner in a position where they risk delays, fines, or other penalties.

Webpages and materials must also be kept up-to-date at all times. Regulations change frequently and business owners are required to be in compliance with them. Governments should ensure that new information is updated across all of its webpages and old material is removed or clearly archived.

Understandability

Communicating complex or technical information in a way a small business owner can understand is critically important. Bureaucratic jargon or legal wording is difficult for many to understand and properly implement in their businesses.

Providing examples of compliance and frequently asked questions should also be standard practice for written materials. Such tools help business owners understand how a given regulation should be implemented in their business or what information will be required for the service they are trying to access.

Accountability

Often, business owners believe they have acted on correct information, only to face delays, fines, or other penalties because the information was not complete, correct, and hard to understand.

There are already examples of service codes such as the Canada Revenue Agency's *Taxpayer Bill of Rights*¹ or the British Columbia Ministry of Finance's *Taxpayer Fairness and Service Code*².

¹ <https://www.canada.ca/content/dam/cra-arc/formspubs/pub/rc4417/rc4417-12-13e.pdf>

² http://www.sbr.gov.bc.ca/documents_library/TFSC/pamphlet_english.pdf

Both examples are somewhat limited in that they apply only to specific departments. They provide basic guidelines for customer service and avenues for dispute resolution.

2. Create a government-wide customer service code for small businesses and incorporate into departmental operations and standards

Standard customer service principles such as respect, accessibility and accuracy, timeliness, and accountability for the information provided are applied across government agencies, boards and commissions is a must. These principles should be incorporated into departmental and agency service standards, and all government agents should be trained about them.

3. Identify critical areas of customer service and satisfaction for businesses that can be measured and publicly report results

For government to be successful in improving customer service, it needs to measure, track and report on its efforts. This should include public reporting of relevant service standards and how many interactions have met that standard, the number of complaints filed and timeliness of resolutions, plain language audits, and client satisfaction survey results. Only with measurement and reporting, there will be true public accountability for customer service.

4. Identify opportunities for effective departmental dispute resolution.

Any dispute resolution process should be simple and accessible for small business owners and the process and resolution clearly communicated. Many governments have active dispute resolution mechanisms through Ombudsmen; however these offices generally focus on larger policy and process issues. Clear, timely communication at the departmental level can help avoid more lengthy or complex disputes.

5. Link customer service improvement to red tape reduction efforts

Ultimately, the goals of improved customer service should be to align with an overarching objective of reducing red tape and creating a business-friendly environment. The results of complaint resolutions, internal audits and client satisfaction survey should be leveraged to identify where improvements can be made within government. Likewise, any red tape reduction activities should include an emphasis on how they impact businesses as the end user.

Methodology

This report presents findings from several 2018 and 2019 CFIB surveys conducted online in each of the four Atlantic provinces. The surveys used were:

- The Nova Scotia Prebudget 2019 Survey, conducted October 9-29, 2018 which yielded 239 responses.
- The PEI Prebudget 2019 Survey, conducted October 10 to November 13, 2018 which yielded 114 responses.
- The Focus on NL Survey, conducted November 5-28, 2018 which yielded 271 responses.
- The NB Prebudget 2019 Survey, conducted December 10 to January 8, 2019 which yielded 263 responses
- And the NB Recycling and Government Customer Service Survey, conducted August 12-27, 2019 which yielded 312 responses.

CFIB is a non-partisan organization exclusively representing the interests of 110,000 small and medium-sized businesses in Canada, including 11,000 in Atlantic Canada.

Appendix A

Table 1:

Examples of good government customer service

The Access PEI center located in Montague is fantastic to deal with. The staff are attentive and more than willing to make your visit as easy as possible. I regularly travel from Charlottetown to Montague to complete my business with this access Center.

The processing time for our company's recent online application for the small business investment grant. The online application was streamlined, simple and there was an exceptionally quick processing turnaround time.

car registration, was very efficient, and in and out in 15 minutes

For the first time in about three years, I got an employee at Motor Vehicle that actually knew what he was doing. What I thought would be a nightmare, took 5-10 minutes.

Folks who work at Service New Brunswick are all very nice and helpful. We register/license new and used cars and the commercial desk is very handy.

Table 2:

Examples of poor government customer service

Any time you deal with government is red tape by default. From permits, to excruciatingly long wait times, you name a problem, they have it. For instance, we applied for a summer student this year. The application was in on time, and they had all the information was correct, but by the time we received the approval, the summer was over. So basically, my Finance Manager wasted probably 5-6 hours on filling out forms, and speaking to government people, and it was all for not. We probably won't bother with it next year, so there goes a summer job for some kid. There are a lot of "programs" that government has which I don't even bother with, because it's too much hassle.
Rules and regulations for new construction are way too strict and impractical in certain situations and how they are interpreted by some govt. officials. For example, requiring cement siding to be used on the exterior of a business in case of fire, requiring certain convenience fixtures in a washroom to be moved minute distances. The electrical requirements for residential and commercial buildings being changed with no advance notice to suppliers. Thereby leaving businesses with items they are no longer able to sell .
when you call government offices, you get a voice mail and nobody ever calls back
The biggest barrier our company finds when dealing with government is their lack of urgency. There seem to be very few people in government that have any interest or ability to get things done quickly. It generally becomes very frustrating when issues take weeks, months, or even longer to get resolved.
Current time to wait for an inspection is up to 3 weeks. Service NL website guarantees within 4 days - when we asked reasons for discrepancy, we were given no response. Coffee shops, restaurants and other business experience massive delays due to the wait times mentioned above.
Waited 10 months for a simple wharf permit because they DNR in Halifax were doing an environmental assessment on sight. Not one person came to the sight. The assessment was done from the office.
I applied for funding for a new employee through LAMPPs program. The government employee actually told me I was a liar because she did not understand the business. Completely unacceptable behaviour for a government employee. She should be fired at minimum.
Waiting for more than half an hour on the phone, being redirected through multiple automated phone service options, and being disconnected multiple times before even having the chance to talk with an actual agent
DMV Trailer sale regulations are terrible. It's easier to buy a gun in NS than buy a trailer.
When applying for a permit Access NS employee in Kentville told me to drive to Halifax--otherwise paperwork will be processed wrong. I drove to Halifax and the Access NS employee there was indignant that I asked for paperwork to be verified while I wait. It was not and I drove back to Kentville. It turned out a piece of data needed verification and my application was delayed for eight weeks while I waited to learn this--this had a direct financial impact on our business. Most (not all) Access NS employees I encounter have no interest or concern that

we employ 16 people and contribute to the well-being of this province. Businesses are treated as an inconvenience.

The offices didn't know how to take care of the inquiry and kept passing it off to other staff hoping we would stop asking.

Long wait times to speak with someone only to be redirected several times with long wait times. Employees are typically helpful and pleasant when you finally reach the correct one however it is quite difficult to get to the correct individual.

Unacceptable delays for building permits False info from innovation pei Phone messages returned 6 months later

Most interactions with government departments is painful and challenging. Very few agents are competent, knowledgeable, and supportive. Essentially without small business there would be very little funds to support the government agencies/jobs. Government agents often react to us as if we are the 'bad guy' and are 'bothering them' rather than serving those that create their job opportunity.

Reporting for Workforce Expansion Program (through PETL) requires manual hard-copy paperwork, rather than being able to submit reports online. This creates unruly delays, as the paperwork first is mailed to me, then returned by mail...the combination of which adds close to 2 weeks' delay in processing and reimbursement.

Tired to get someone to call me back on what was known as the Canada - NB Job Grant to hire and employee. Left several messages and no one got back to me.

When looking for information on Employment Standards I was bounced around and could not get a straight answer.

We bought a new property for a new production building, but had to put the project on hold due to road re-planning, but no precise info or time schedule available

Demande d'aide financière pour un projet d'expansion qui fut rejetée après environ 16 mois d'attente.

Takes a month to get your liquor license from SNB in the mail
