

Update on the Customer Journey Issues for the Restaurant and Brewery Industry

RECOMMENDATION(S):

That the Business Advisory Committee:

1. Direct the Business & Local Economy team to work with Planning & Development to report back to the BAC with a progress update on focus areas 1, 3, 3a, 3b, 3c, 4, and 5 identified in the “What We Heard” report by the end of Q1 2021;
2. Direct the Business & Local Economy team to work with Planning & Development to report back to the BAC with a progress update on focus area 2 identified in the “What We Heard” report by the end of Q2 2021; and
3. Direct the Business & Local Economy team to work with Planning & Development for continued improvement of the customer journey experience to other business segments.

HIGHLIGHTS

- The Business Advisory Committee (BAC) has been working with the restaurant and brewery industry to understand and address concerns and systemic issues/barriers to open and manage a business when dealing with The City. The purpose of this report is to provide an update on Administration’s next steps in response to the concerns and recommendations raised by targeted stakeholders during the restaurant and brewery meetings that BAC hosted. The recommendations will help The City achieve improvements and will identify opportunities for integrated solutions.
- What does this mean to Calgarians? Administration is committed to providing complete support and consistent knowledge for businesses to complete their journey to open and manage their business in Calgary.
- This matters to Calgarians because Calgary will continue to grow as a magnet for talent, a place where there is opportunity for all, and strive to be the best place in Canada to start and grow a business.
- The main return on investment of a business licence is that it provides citizens, customers, and employees with the assurance that expectations for safe and ethical business practices are met; protecting legitimate businesses from the negative impacts of illegitimate businesses.
- An approvals team has been created to bring together business approvals and building safety approvals, providing a one-stop shop for businesses.
- Ongoing collaboration between City Administration, the Business & Local Economy team, and business stakeholders will continue to advance a stronger level of service, improve the customer journey and customer satisfaction, and resolve service delivery issues.
- The most recent Council direction was for BAC to prioritize perceived system barriers and to work with City Administration on the restaurant journey.
- Background and Previous Council Direction is included as Attachment 1.
- Strategic Alignment to Council’s Citizen Priorities: A prosperous city

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DISCUSSION

The meetings that the Business Advisory Committee conducted with targeted stakeholders from the restaurant and brewery industry were based on a service design approach, where the conversation was focused on understanding the delivery of City services from a business perspective.

The first result from the workshops was the identification of issues when opening and managing a business in Calgary. The focus areas are:

1. Lack of opportunity to meet, consistency, and knowledge from staff when responding to inquiries
2. Uncertainty, time and cost increase due to Change of Use, lengthy process [2021 Focus]
3. The inspection process requires far more changes than what was initially approved on the plans/drawings
 - a. Cost increase due to over-design of various requirements related to safety
 - b. Building safety codes regulation required to design for construction are too vague
 - c. Lack of clarity on HVAC requirements
4. Lack of consistency/ subjectivity from inspection staff when making approval decisions
5. Lack of perceived value on paying for a business license

Administration is committed to providing complete support and consistent knowledge for businesses to improve the overall experience, such as a one-stop-shop for customers and their business needs that effectively coordinates approvals, acts as an early warning system for customers, and streamlines access to The City's expertise. An approvals team has been created to bring together business approvals with building safety approvals. This will provide operational alignment on the highlighted customer issues and will provide a unified approvals system. Please see Attachment 2 for further details on Administration's next steps and future considerations to address all of the above focus areas and to address the value proposition of business licences.

The second result from the workshops was the development of a customer journey map based on all of the qualitative data collected during the workshop and from internal subject matter experts. A customer journey map is a visual representation of the steps and the emotional states that a specific customer segment goes through over a period of time to accomplish a specific goal, including interactions with The City. By addressing the issues identified above, the customer journey will immediately see improvements. Additionally, in collaboration with the Planning & Development department, Business & Local Economy will continue to work in a coordinated fashion to support activities to address the issues, identify further ways to improve the journey, and start expanding this approach to create customer journey maps for different customer segments. The details related to the opportunities for improvement and the customer journey map is included in Attachment 3.

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STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

Through the Business Advisory Committee, the Business & Local Economy team has been engaging with restaurant and brewery business owners and stakeholders to gather feedback on the customer journey experience. Workshops and meetings were held in 2020 July and August.

IMPLICATIONS

Social

Remaining responsive to the needs of the business community through these unprecedented times is a critical social consideration.

Environmental

There are no environmental implications anticipated to be associated with implementing these recommendations.

Economic

Supporting businesses will keep the economy moving.

Service and Financial Implications

Self-supported funding

Calgary Building Services has dedicated \$900,000 per year from its self-funded operating budget, which includes six full-time equivalents and all associated costs, to support ongoing improvements for businesses.

RISK

It is important to identify opportunities to improve the business journey to open and manage a business in Calgary. With the challenging economic conditions in 2019 and 2020, including the impact of the COVID-19 pandemic, focusing on the foundations of a strong and vibrant local economy are even more important.

ATTACHMENT(S)

1. Previous Council Direction and Background
2. Administration's next steps and future considerations
3. What We Heard Report - Restaurants and Brewing Industry

**Planning & Development Report to
Business Advisory Committee
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Department Circulation

General Manager	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development	Approve