

Presentation to the Canadian Association of Movers

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Topics

- Move Management
- FEAMS (Furniture & Effects Automated Management System)
- Alternative to Scaling Trial
- Carrier Compliance
- Results: Employee Satisfaction Survey
Claims Settlement Survey

Move Management in the Federal Government

Contractual Engagements for Department of National Defence

- Domestic : Canada and United States
- International: Locations outside North America

Volumetric

- Government moves account for about 25-30% of the total industry volume in Canada

Volumetrics – Domestic Moves

- 12,000 - 15, 000 moves per year
 - Department of National Defence: 75%
 - Royal Canadian Mounted Police: 12%
 - Public Works Government Services Canada / Central Removal System: 13%
- Average Shipment Weight: 9000 lbs
- Estimated Contract Value: *\$100m*
- 3 Service Providers

Domestic Moves – Contract Duration

- 2 years contract + 3 times 1 year option
- Started on 1 April 2001
- On 1 April 2004 \Rightarrow 2nd year option
- End of contract (absolute) \Rightarrow 31 March 2006
- New contract (absolute) \Rightarrow 1 April 2006

Volumetrics – International Moves (DND only)

- *500 - 550 Moves per year*
- *Estimated Contract Value = 3 Millions*
- *1 Service Provider*

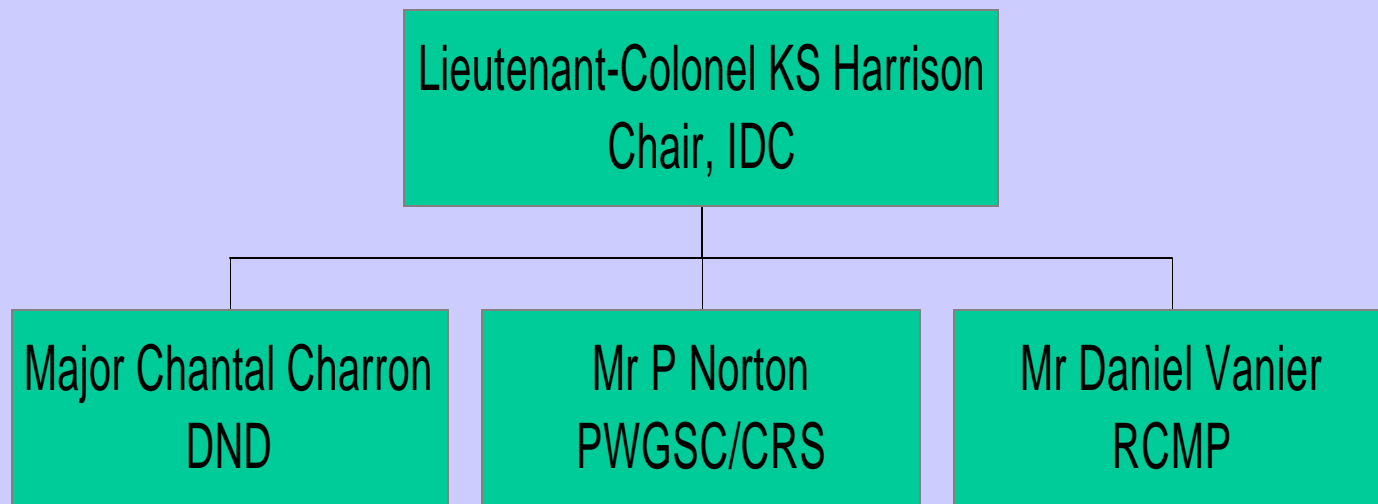
International Moves – Contract Duration

- 2 years contract + 3 times 1 year option
- Started on 1 November 2001
- On 1 November 2003 \Rightarrow 1st year option
- End of contract (absolute) \Rightarrow 31 October 2006
- New contract (absolute) \Rightarrow 1 November 2006

Federal Government - Household Goods Removal Services (HGRS) Contract



Interdepartmental Committee on Household Goods Removal Services (IDC)



- Established in 1968
- DND: Department of National Defence
- PWGS/CRS: Public Works Government Services Canada / Central Removal System
- RCMP: Royal Canadian Mounted Police

IDC Mandate

- To collectively contract with the moving industry for the move of household goods of federal government employees

IDC Roles & Responsibilities

- Sets the policies, conditions and tariff for the transportation and storage of household goods belonging to government employee
 - Provisions of moving services, (i.e. ordering, quality control, billing, payment and audit) done by each member department

IDC Objectives

- To improve and maintain the quality and the reliability of services provided by the Service Providers
- To optimize management efficiencies
- To ensure shipper satisfaction
- To ensure cost-effective delivery of contracted services

IDC Objectives (suite)

- To ensure built-in flexibility (trials)
- To ensure compliance with all applicable regulations and standards
- To ensure that the contracted functions are performed in a safe manner
- To ensure that electronic commerce supports all functions of transportation management
- To foster co-operative interaction between the government and the moving industry



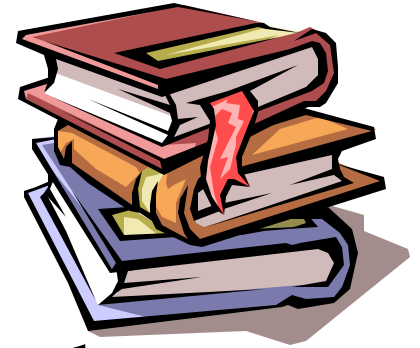
Furniture and Effects Automated Management System (FEAMS)

National Defence



History of F&E Automation

- Until 1991, manual management
- Automated Equalization Register
- FEAS - Furniture & Effects Automated System (management tool)
- FELIX – Furniture & Effects Logistics Information Exchange (data repository)
- AMMS - Automated Move Management System
- PWGSC/Central Removal Services (CRS)



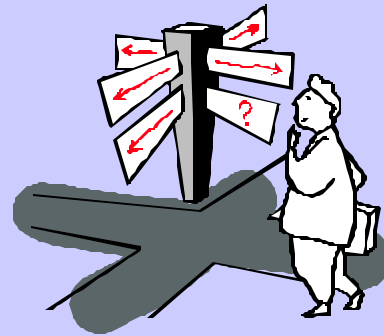
Current System - CENTRAL REMOVAL SYSTEM (CRS)

- Antiquated system
- Connectivity problems
- Poor management tool
- User fees to PWGSC



Current System

**CENTRAL REMOVAL SYSTEM
WAS SCHEDULED TO BE
DECOMMISSIONED IN 2005**



FEAMS Development

- 2001: Small scale trial development – Long Term Storage (LTS) module
- March 2002: User Requirements & Feasibility Study completed
- August 2002: National Defence On-Line (NDOL) funding approved for FEAMS
- November/December 2002: FEAMS project underway



FEAMS Corporate Benefits

- Possibility of early payment incentive
- Improved tracking of expenditures – actual costs
- Effective management tool
- Bilingual

FEAMS User Benefits:

- User friendly, GUI
- Web-based
- Central payment
- Time for more quality control - better Quality of Life (QOL)

FEAMS Modules

- FEAMS V 1.1:
 - Long Term Storage
- FEAMS V 2
 - All other F&E business processes:
 - Domestic
 - Cross border
 - International

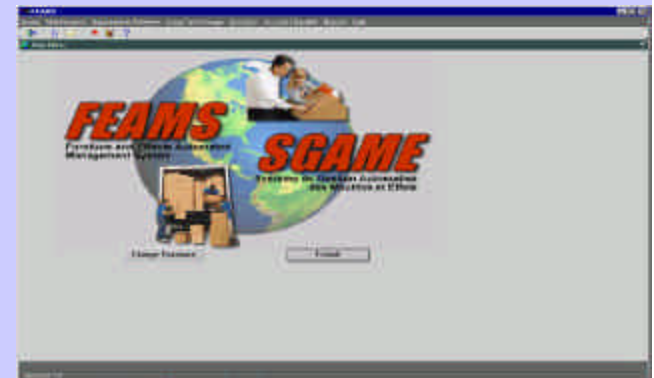


FEAMS V1.1 Status:

- First module (Long Term Storage) piloted successfully on five bases April 2003
- Remaining bases piloted successfully October 2003
- All LTS lots (approximately 1500) are now being processed by FEAMS

FEAMS V 2 Timelines

- Detailed design commenced (6 – 8 months)
- Development starts concurrently
- Pilot training specs completed: May 04
- Pilot roll-out: Jun 04
- Re-engineer/re-development: Jun – Sep 04
- Roll out complete: Nov – Dec 04
- CRS use ends: Jan 05



Alternative to Scaling Trial (ATS)

Alternative to Scaling Trial (ATS)

- **Mandated by Auditor General of Canada 1997 -
OAG Audit Chapter 21**

Recommendation at paragraph 21.100

“Public Works and Government Services Canada, in consultation with the Interdepartmental Committee and the moving industry, should minimize the risk of overcharging due the weight bumping and strengthen the auditability of invoices from contractors. Consideration should be given to introducing an alternative to the existing basis for pricing moves.”

Alternative to Scaling Trial (cont'd)

- Working Group \Rightarrow Standard Weight List (SWL)
- SWL introduced in HGRS contract : 1 April 2001
- Electronic Inventory introduced 1 April 2002

Alternative to Scaling Trial (cont'd)

- Analysis of weights is continuing.
- Introduction of working group with users (1st meeting back in Sep) \Rightarrow introduction of several initiatives
- Still a trial. Implementation date TBA.

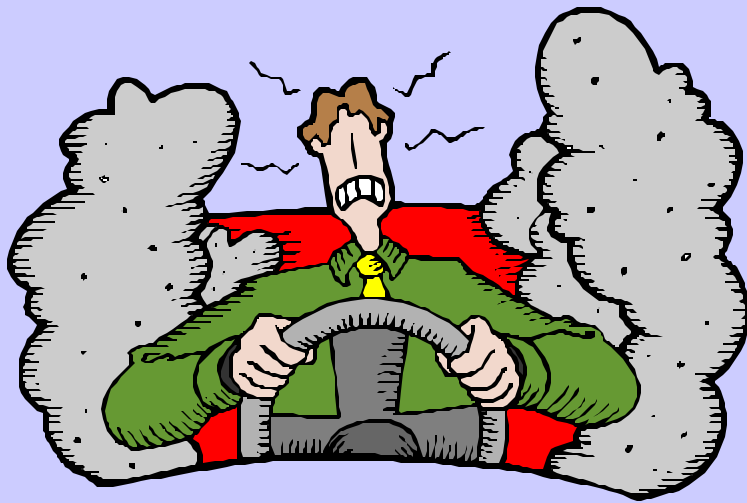
ATS Observations April – August 2003

– Good Points:

- Drivers had received briefings and training
- Computer Programme was well developed



ATS Observations (cont'd)



Challenges:

Poor or no training

Computer glitches

Manual entries on
inventories

Working Group – Major Recommendations (Adopted)

- 2nd survey
- Terminology

Way Ahead - ATS

- As the trial continues, industry must build on improvements already made.
- Government will also work to ensure better knowledge of the process among members.

Way Ahead – ATS

Ultimate Goal

- Estimates / Surveys \Rightarrow electronically generated
- Drivers generates electronic inventories (including conditioning)
- Adoption of Standard Weight List for Basis of Payment \Rightarrow No more scaling
- Latest date for final implementation: 1 April 2006

The government will continue to consult industry as the ATS trial continues.

Carrier Compliance Statistics

QCI Results – Summer 2003

1 April to 30 Sept 2003

Active Posting Season (APS)

Number of QCIs: 5032

Satisfactory: 4410

Unsatisfactory: 622

Satisfaction Rate: 87.6% (2002 \Rightarrow 88.9%)

Most Common Problems

- Service Shortfall:
 - Improper packing standards and failure to provide shipper with proper inventory
 - (147 / **432**) for 2003
 - (98 / **298**) for 2002
- Liquidated Damage:
 - Late delivery
 - (66 / **270**) for 2003

 - Failure to provide proper electronic inventory at time of packing
 - (60 / **210**) for 2002

Customer Satisfaction Surveys

- Two methods of gauging satisfaction through Government Employee Satisfaction Survey (GESS) and Claim Settlement Satisfaction Survey (CSSS)
 - Hard copies (at any time, although not included in statistics / reports)
 - Semi annual phone surveys in conjunction with Value Index calculations

Members' Concerns

- Packing
- Destination Services

GESS

Average satisfaction score (scale of 1-5):

• Overall	• 3.86	3.81
• Pre-move briefing	• 4.02	4.04
• Packing	• 3.90	3.80
• Loading	• 4.13	4.07
• Unloading	• 3.96	3.83
• Unpacking	• 3.61	3.54
• Destination assistance	• 3.77	3.63

GESS

Breakdown of "Yes"/"No" responses

	Yes	No	n.a.
Satisfied with courtesy at origin	89.9%	8.0%	2.2%
Satisfied with courtesy at destination	88.9%	6.8%	4.3%
Picked up on schedule	87.6%	11.3%	1.1%
Delivered on schedule	78.9%	18.0%	3.2%
Filed claim or intend to	42.0%	51.1%	6.8%
Would use same mover again	78.6%	16.5%	4.9%

Average claims satisfaction score (scale of 1 to 5)

- | | | |
|----------------------------------|--------|------|
| • Overall | • 3.16 | 3.25 |
| • Destination advice, assistance | • 3.18 | 3.19 |
| • Courtesy and professionalism | • 3.69 | 3.73 |
| • Timeliness of response | • 3.22 | 3.55 |
| • Value of settlement | • 3.51 | 3.45 |

Claims Survey - Breakdown of "Satisfied"/"Dissatisfied" responses

	Satisfied	Neutral	Dissatisfied	n.a.
Overall	50.9%	12.9%	34.5%	1.8%
Destination advice and assistance	48.5%	19.9%	31.0%	0.6%
Courtesy and professionalism	66.7%	13.5%	17.0%	2.9%
Timeliness of response	60.2%	17.5%	22.2%	0.0%
Value of settlement	57.9%	6.4%	28.1%	7.6%

Phone survey results for the APS
2003 indicate happier customers
overall for services but less
happier for claim settlement.

QUESTIONS

