



## WATER SUPPLY ASSOCIATION OF B.C.

October 26, 2023

Nelson, BC

### IMPROVING THE WATER UTILITY - CUSTOMER RELATIONSHIP

As part of the 29<sup>th</sup> Annual General Meeting and Conference for the Water Supply Association, the Directors hosted a workshop focused on improving the relationship between customers and the water utility. There were approximately 30 people attending the 2-hour session, who contributed to the meeting, discussions, questions, and ideas put forth.

The workshop was structured as follows:

1. Introduction: To provide objectives and context for the workshop.
2. Utility Structure: to recognize utility differences and factors affecting relationships.
3. Administration Topics - For discussion on Human Resources and administration issues.
4. Operational Considerations: For how to facilitate relationship building by system operators.
5. Conflict Resolution: For discussion on means of how to resolve issues that arise.
6. Take-Aways - Summarizing the key points of the Discussion that took place.

This paper is posted on the WSABC website for information and as a toolkit for utility managers and staff. It is to facilitate the continual improvement of customer service by water utilities.

#### 1.0 - INTRODUCTION POINTS

This paper was developed for the purpose of providing critical points to consider in the day-to-day operations of a water utility. Every water utility has the capability of providing a high level of customer service.

Because most community water systems are typically operated as a monopoly, with no alternative for the customer for that service, there is the risk that the level of service and customer attention can lag or decay. To change or improve the customer-utility relationship, **it is up to the utility** to initiate the improvement. The customer cannot do this.

When reviewing the provision of water in comparison with other monthly service providers, water supply may be the one of highest value. Electricity, gas, sewer, CATV, internet, and phone all can cost more than the monthly water bill. A monthly cell phone bill for four people in a residence can run up to \$200 per month. For many of these services, the relationship with the customer is impersonal, stagnant and one of necessity rather than choice. Voice-mail menus, poor customer service or phone assistance from halfway around the world are normal modes of operations for some service providers.

The bar for level of service is low, therefore the opportunity is available for the water utility to be the best service provider. Having a pleased and appreciative customer base has many benefits. This includes the ability to retain stable and long-term staff, appreciation for the community, smarter and more educated staff, and people that provide a foundation for the community in which they live.

Possible Objectives for a utility are listed in the workshop slide below:

## Possible Utility Objectives

- To create and maintain a working environment where staff and customers enjoy the interaction and appreciate each other.
- To have very few conflict-oriented processes
- To educate the public to be knowledgeable and value the utility
- To have utility staff that are “Public Service Oriented”
- To create Trust between utility and the public (both ways)
- From the Word Cloud....

*“To give real service you must add something which cannot be bought or measured with money, and that is sincerity and integrity.” Douglas Adams*



Introduction

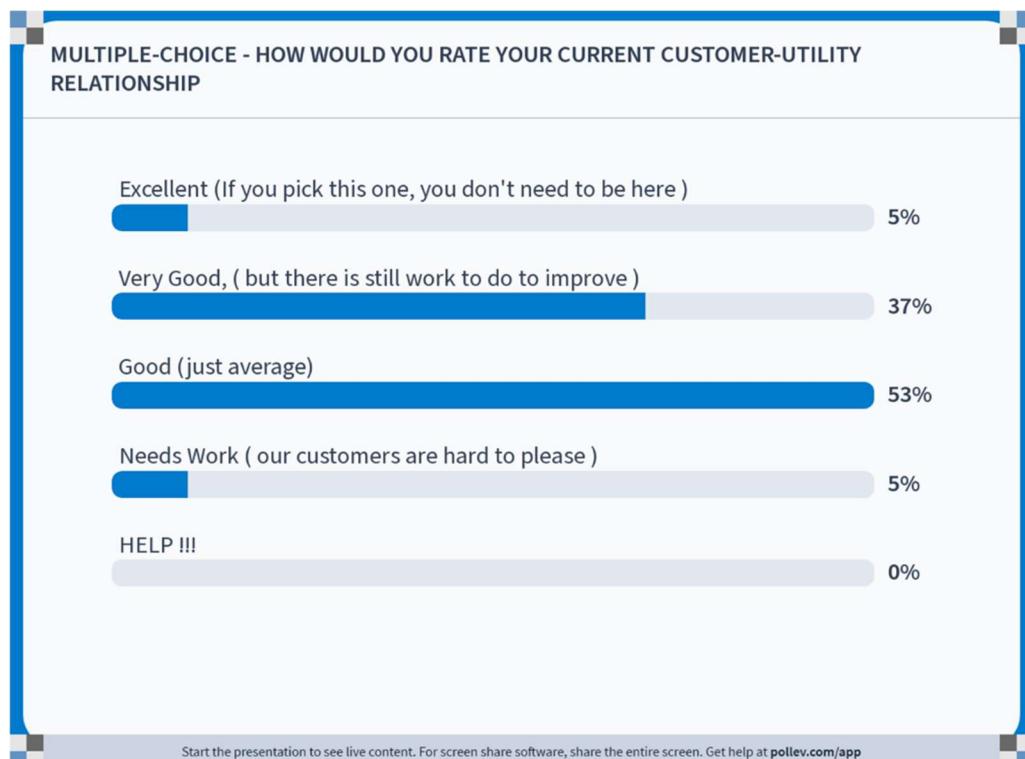
The first question posed to the group was  
**“Provide words to define a strong customer-utility relationship.”**



The above word-cloud was developed using the Poll-EV software app where everyone in the room types in words to respond to the question. The more of the same response, the bigger the word becomes right in front of the group.

The word of greatest response was TRUST, followed by TRANSPARENCY and COMMUNICATION. Other excellent words are also included in the word cloud. Customers are dependent on the water utility for safe water that they and their families consume. The exercise highlighted the desire for TRUST. To build a positive relationship, the customer requires honest and open communication, respect, reliability, to build trust.

A survey of the room was conducted to canvas the group of utilities in the room to assess where they think they are with the relationship with their customers.

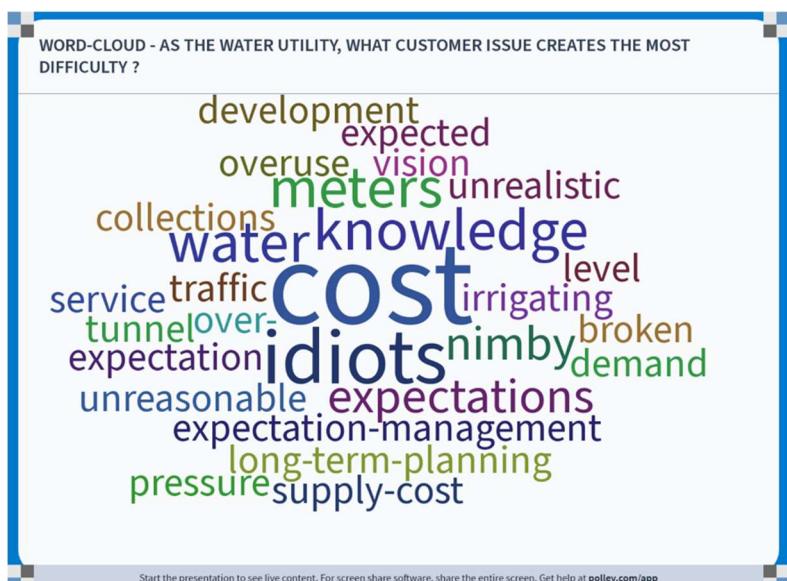


The assessment of responses ranged from needs work to excellent. Ideally, working with the goal of being excellent, but assessing oneself in the very good, leads to an attitude of continual organizational improvement.

Regardless of where the utility believes they are presently, there are always ways in which an organization can communicate better, be more responsive, serve better, and provide better value so the relationship is always one of work-in-progress.

Another early question posed to the group was:

**“What customer issue creates the most difficulty (for the utility)?”**



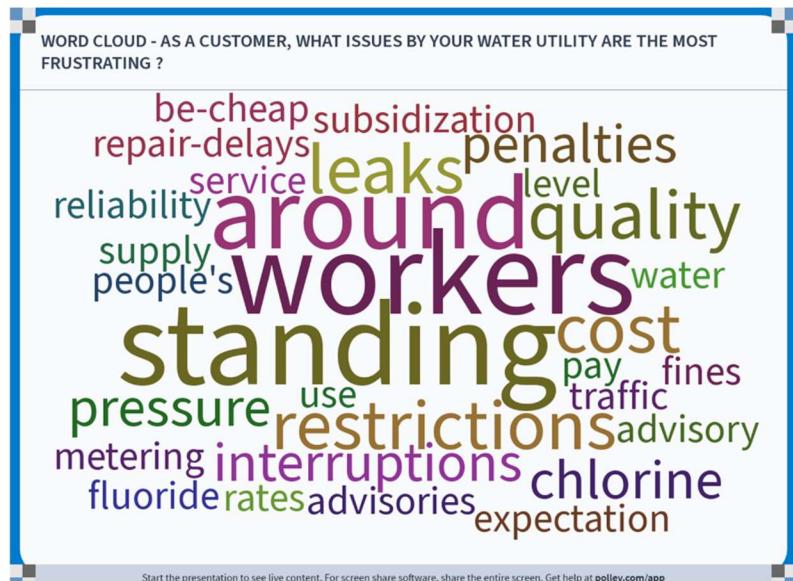
i.e., What do customers communicate to the utility as their problems. Using the Pollev app the workshop attendees created the adjacent word-cloud.

COST was the highest rated and will always be of concern to the customers. Therefore, the utility must be very aware of the costs and how those costs can be explained and verified for the customer. The typical method of pricing water volumetrically does not accurately reflect the service provided and leads the customers to expect minimal charge if they use a minimal volume of water. With renewal, operations, maintenance, and wages typically

accounting for more than 75% of the cost, assessing costs strictly on a volumetric basis can create inequities. Charging flat rates also have inequities and it is for the utility to figure out which one best serves their customer. Having a very solid and consistent explanation of costs for the customer helps to build a respectful relationship.

The third question for the group was:

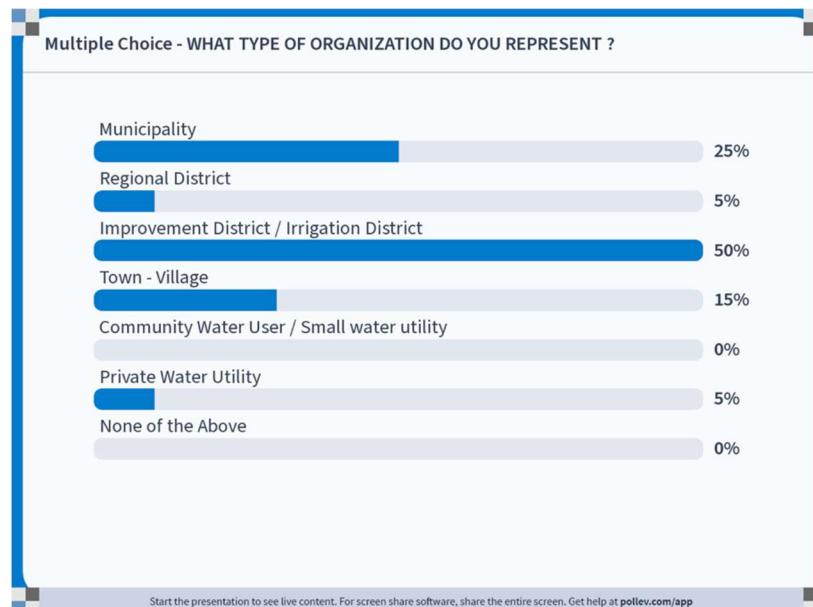
**“As a customer, what issues by your water utility are the most frustrating?”**



The responses ranged from Workers-Standing-Around, to restrictions, leaks, quality, penalties, cost, and interruptions. Some of these issues are easily correctable, some are not. Awareness of them is the starting point in working to resolve them.

## 2.0 UTILITY STRUCTURE

There is a wide range of water utilities providing water service in the BC Southern Interior. Interior Health records show that there are over 1900 water utilities of all sizes that are in the Interior Health database. These include municipalities, regional districts, towns, villages, improvement districts, private water utilities, and water user communities.



Each utility is unique, with its size, shape, employees, customers, service area and capacity. One size and solution does not fit all.

*“Always remember, you’re unique, just like everybody else” – Steven Wright quote.*

The traits for small vs. large water utilities were discussed. Smaller utilities generally have better communications with their customers but are financially challenged and have less technical resources. Larger utilities have greater financial capacity and technical resources, but management is more isolated from the public and may not communicate as frequently with the public as staff in a smaller organization. Recognition of these inherent conditions is important. Alignment of staff, management, and elected officials is particularly important in developing consistency when dealing with the public. A fair but firm approach is needed so that the public knows the rules and their obligations to pay their bill and use only their share of water.

Like many public and private organizations, it was noted that people will gravitate to organizations with like-minded staff. Human resources and staff retention are key factors in the success of an organization.

Retention of long-term staff, management and elected officials helps to create an organizational memory for a water utility. This is valuable in that past errors are less likely to be repeated by long-term staff.

### Alignment of Utility Values

- When staff, management and elected officials disagree in how or what they are supposed to do for the community, significant resources are wasted
- Values and Mission Statements start with management and/or elected officials
- More dialogue between elected officials, management and staff results in alignment of expectations and better appreciation for each other
- Decision-making must align with the overall broader utility objectives
- Consistency and time is required to achieve a high level of alignment
- Natural Law of Attraction, “Over time, people are attracted to like-minded people” This is due to a natural alignment of values

*“If everyone is moving forward together, success takes care of itself” – Henry Ford*



### 3.0 ADMINISTRATIVE ITEMS

Human resources, bylaws, accounts receivable, and rate structures were reviewed during the middle section of the workshop. People are the strength of an organization. A word-cloud exercise was conducted to ask the question....

**“What traits do we look for when we are hiring someone?”**



The highest frequency response from those attending was INTEGRITY followed by RELIABLE and SKILLS. There were many other descriptors provided like good hair and nice teeth, but we are not buying a horse here.

#### What are Staff Looking for in a Job ?

- Solid Leadership
- Great Co-workers
- Competitive income with benefits
- Flexible work hours
- Stable work schedule
- Alignment with Culture
- Learning and development opportunities
- Sustainable practices respecting environment
- Lifestyle



*“Pleasure in a job puts perfection in the work” Aristotle*

Administration

#### Personnel Considerations

“We look for three things in a person: intelligence, energy and integrity.  
If they don’t have the last one, don’t even bother with the first two”  
Warren Buffett

- Temperament
- Complementary skills
- Supportive Management- Delegation and then facilitation
- Place staff in roles where they can succeed.
- Hire from the bottom-up to grow your organization, It takes time

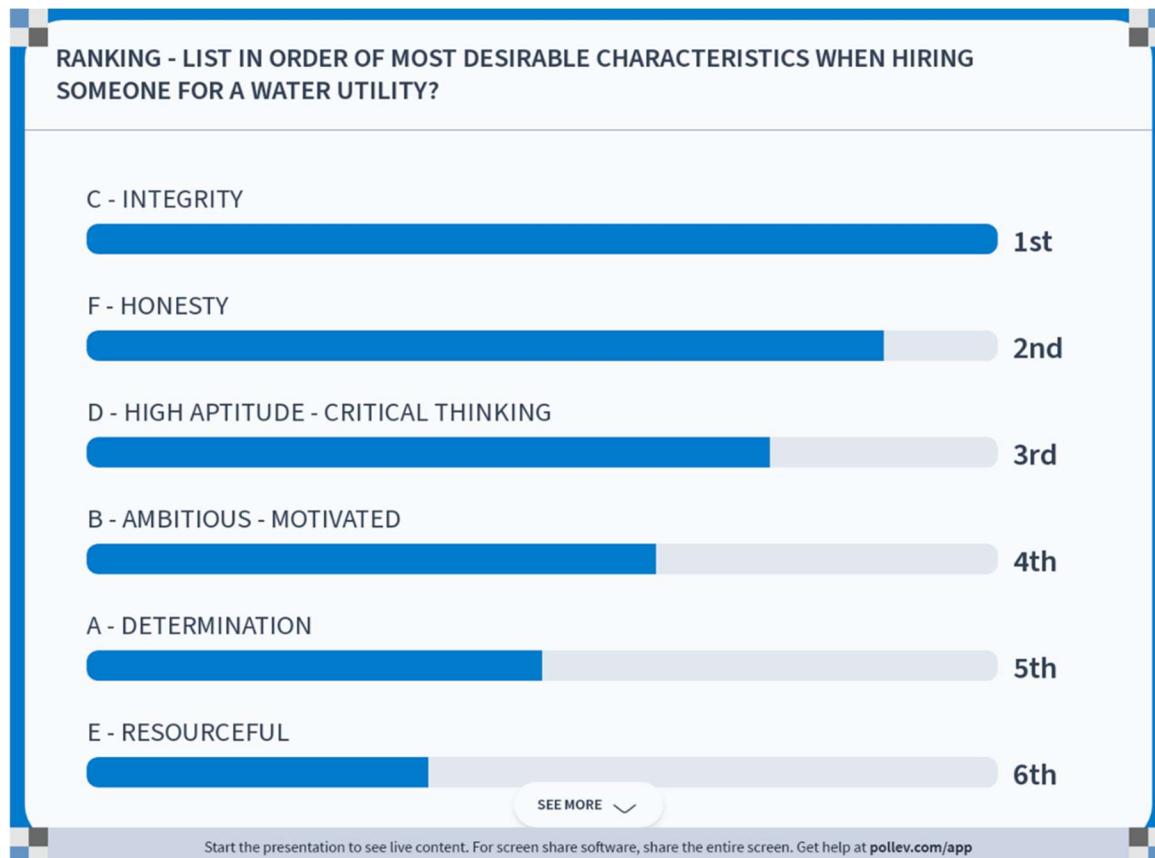
*“The best way to appreciate your job is to imagine yourself without one” – Oscar Wilde*



Administration

Staffing is a key component when creating an organizational environment where the public can trust, respect, and appreciate their water utility.

The group was given a list of positive employee candidate characteristics. Although all characteristics were positive, some outweigh others. The ranking results of the group workshop is provided below.



Please note that **all traits** provided were deemed to be positive attributes for an applicant.

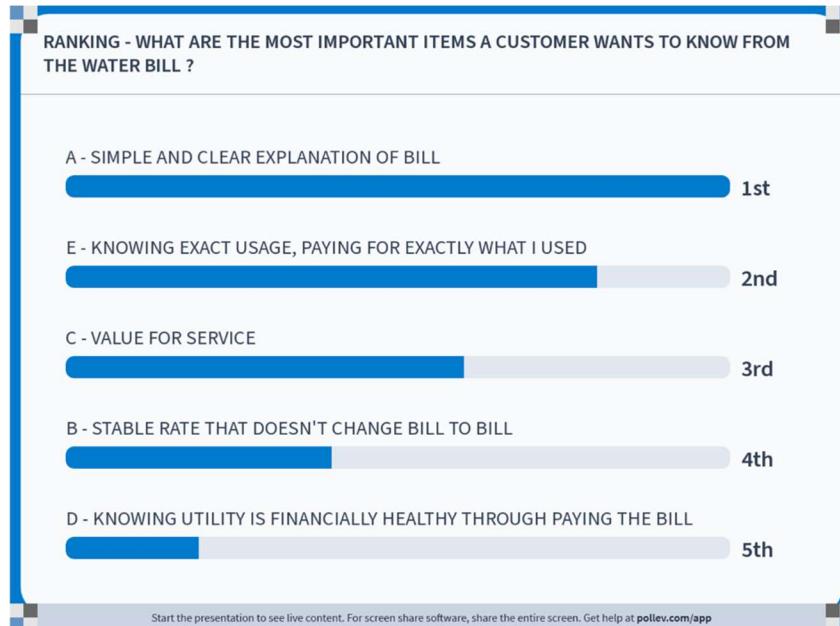
Using the probation period to weed-out employees that may not have a customer-service attitude was identified as a tool to use by an organization. Compensation was also another tool used for retaining staff.

It was recognized that creation of a positive working environment may take years as the staff may turnover quickly resulting in less stability and promotion of persons that may not be ready for leadership roles. Professional leadership training for management candidates and mentoring of junior staff are important for creating an organization where people want to come to work.

## Water Charges

Charging for water was discussed. The most important item recognized was that the objective in charging for water was that, **regardless of billing method, metered or flat rate, the utility invoicing must generate sufficient revenue to operate, maintain, and renew the utility.**

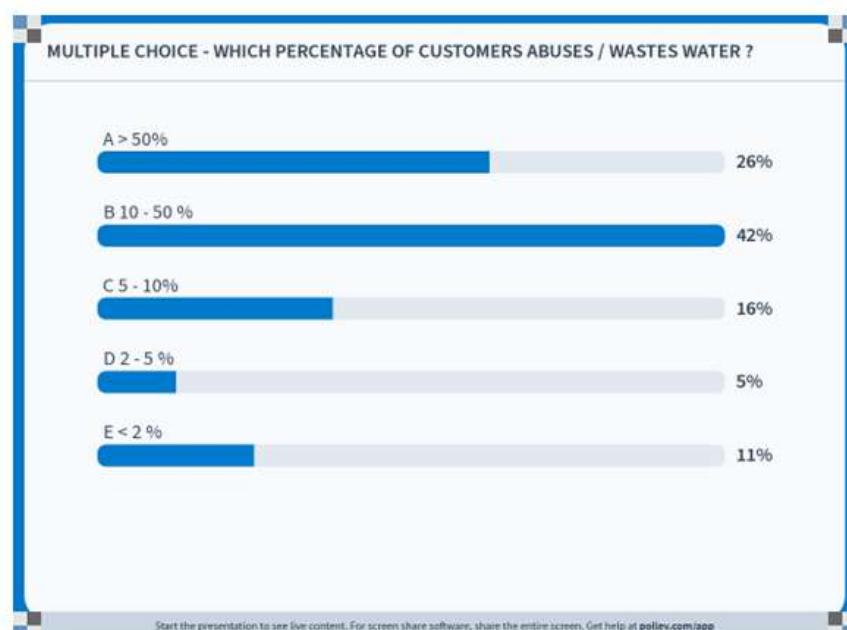
A series of water bill objectives was listed. Clarity was the highest ranked objective received.



Further discussion took place regarding water usage and water wastage. General feedback on water usage was that the attendees believed a high percentage of the customers wasteful. The group response showed that 26% of the attendees believed more than half of their customer base are wasteful. Another 42% of the attendees responding believe that more than 10-50% of the customer base are wasteful. 11% thought that less than 2% of their customer base are wasteful.

The range of perceptions in this regard is significant.

Understanding the amount of overall system leakage, the outside watering trends, plus providing continual communication on efficient watering practices is extremely important in reducing water wastage.



## Communications

Communications with the public is evolving. The number of customers coming into the office to pay their bill is decreasing. Interactions with the public are decreasing, with auto-withdrawal plans and e-transfers resulting in less face-to-face contact.

Still the number of interactions with the public is significant and occurs on many levels.

Face-to-face communications is one of most effective means of communication. Both parties can see the other person's eyes, assess their body-language, sincerity, and empathy for the others' position. It is not, however, the most effective means to communicate with the entire customer base. The workshop group believed that the Utility's website was the best tool for where to communicate with the public. Website communication may be the go-to-place for information and must be kept up to date.

Notifications are a different matter however and the presence of newspapers and radio notification has decreased in recent years. Apps are now being developed to allow for local, area-specific notification, however sign-up is necessary for the customer. Billings provide an opportunity for notifying the customer to get connected. This is work-in-progress for all utilities.

The **Voyent Alert!** app is an effective cell phone application used by the District of Summerland as well as the Regional District of Okanagan Similkameen. The app is used to advise customers of outages and issues in specific service areas for their utilities. Positive feedback has been received for this app by those organizations.

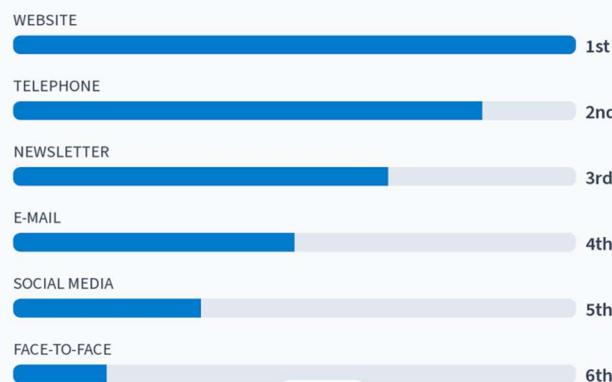
### 4.0 Communications

- How may I help you?
- Address them by their name – if you know it.
- Smile
- Listen first, speak deliberately, clearly at the appropriate moment
- Don't have the answer until you understand the question
- If they are upset. Bite your tongue – hold your breath – wait, and let them vent. Give them extra time - They may still be upset, but they will be more upset with everyone else they meet more than you.
- Person with right temperament as first contact
- No voicemail, always have a person there.

*"To earn the respect of your customers, you first have to respect those customers. That is why the Golden Rule behavior is embraced by most winning companies" – Colleen Barrett*



#### RANKING ACTIVITY - RANK IN ORDER HIGHEST TO LOWEST THE MOST EFFECTIVE COMMUNICATION TOOLS FOR YOUR UTILITY



Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](http://pollev.com/app)

### Interactions per Day

Example Utility - 10,000 people being supplied with a water utility that has a staff 10 people:

- 2 management staff plus one office admin support person
- 7 water operators

Eg. Management & office person may have 10 interactions each per day with the public. Operators have 3 interactions with the public.

51 points of contact per day, 255 per week, 13,260 per year

- It doesn't take long for the word to get out into the community

*"Eye contact beats any conversation" – Christina Strigas*



## 4.0 OPERATIONS CONSIDERATIONS

Water operations staff attitude, work ethic, and values are on display every day to the public. Training of the operations staff and an understanding of how the public views them can help staff to recognize their role. Staff that consistently show they care about their job and community can result in a greater appreciation of the utility by the public.

### Operations Staff

Characteristics

- Field based job, hands-on skills, active group
- Possess a wide variety of communications skills and expressions;
- Highly visible to public (at times)
- Community evaluates their effectiveness by the reliability of the water system;
- Their equipment is a reflection of the organization's values
- Community observes how quickly they repair breaks

*"Make every interaction count. Even the small ones. They are all relevant" – Shep Hyken*



Operations

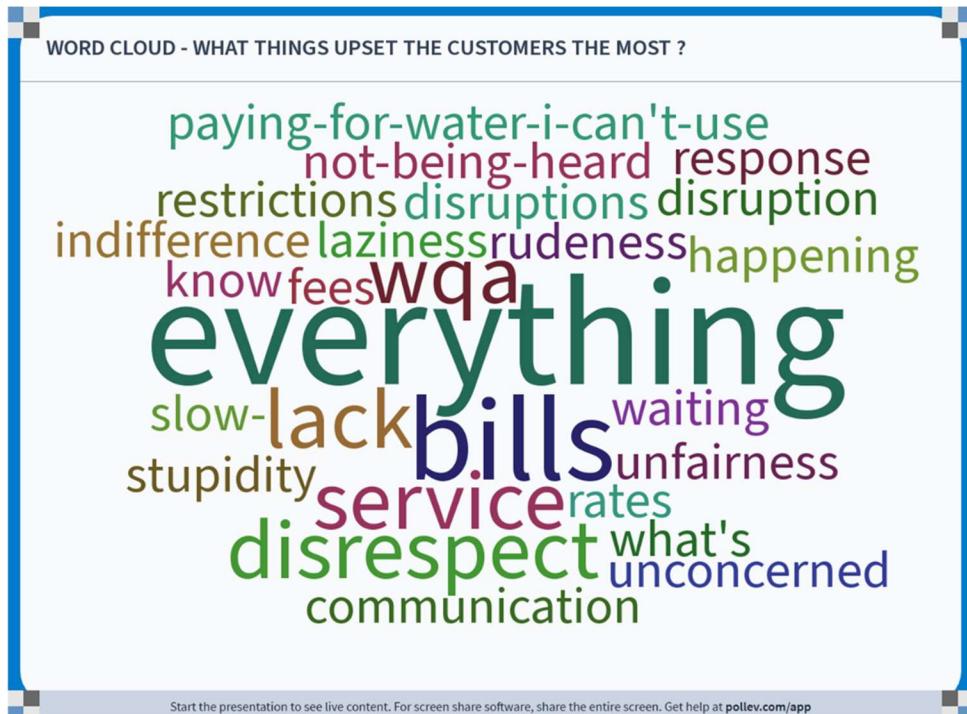
Many items can steer public perception. Professionalism in dealing with leaks, having equipment in good condition, having appropriate cost and size equipment, and not over-purchase or buy excessive sized trucks all are noted by the public when they assess their utility.

The frequency of leaks and how quickly they are repaired is another indicator for the public on how the utility infrastructure is holding together.

## 5.0 CONFLICT RESOLUTION

This segment started with the question:

**“What things upset the customer the most?”**



The answers ranged from EVERYTHING to BILLS to DISRESPECT and many others like stupidity, laziness, unconcerned, paying-for-water-i-can't-use.

Discussion from the workshop group focused on being proactive in planning for how to diffuse conflict situations. By setting up bylaws and procedures to facilitate solutions for the customer was one approach for reducing conflict.

Responsiveness to issues was also identified as a means of reducing conflict.

Once there is conflict, focused attention in quickly bringing it to resolution was deemed to be important. Leaving an issue to be unresolved results in a negative cloud hanging over a utility and its staff.

### Items for Discussion

Topics:

- Resolving the conflict before it begins.
- Defined Structure for resolving Conflict
- Give the Customer a choice – allow them some choice if possible
- Timely Decisions
- Continual conflict - staff will move on
- Alignment through the organization on approach

*“I almost had a psychic girlfriend, but she left me before we met” – Steven Wright*



Conflict Resolution

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## 6.0 CLOSURE

The major conclusions derived from the workshop are as follows:

- Developing a healthy relationship with the public requires continuous and focused effort and many years of consistent service. The objective for a utility is to build and maintain Trust of the customer base.
- The strength of an organization is in its people. Retaining the right persons, with a public service ethic and with integrity, is a key message that was received at the workshop.
- Organizational stability and retention of staff for a long-term was deemed to be important as there is a wealth of experience and local knowledge that is held by those staff.
- Retaining staff with a public-service ethic was important as not all people that apply inherently understand or want to serve the public. Volunteer expertise, community and partnership expertise and teamwork skills can be underrated applicant values by interviewers.
- Administratively there are many ways to charge for water. Regardless of the method of charging, revenue targets must be met. Having a consistent explanation that accounts for diverse types of usage and allotments by the persons explaining the costs, is important in helping the public to understand the charges.
- Operations staff are very visible to the public and their actions and attitude are on display for the public to see every day. If they understand this and care, the public will also see it.
- Alignment of the utility values at all levels is important in providing consistent messaging to the public from the staff, management, and elected officials. A clear chain-of-command / reporting should be in place for every utility.
- The utility web page is an extremely useful tool for providing an access location for the water utility business. The web page is not however, a notification tool.
- Currently one of the largest challenges for utilities is notification. Notification historically has been through radio advertisements and through the local newspapers. Both media have decreased in audience coverage. Social media has increased however, and local chat groups and Facebook groups have become, at times, sources of mis-information.
- The development of notification apps for connecting with your customers for emergency events is in its infancy. Cell phone apps such as **“Voyent Alert!”** should be reviewed as possible new means of communications to a customer base. They appear to be one of the most promising utility communication platforms for the near future.
- The relationship of a Water Utility and its customers will always be work-in-progress. The question is.... *“How important is the relationship to the utility?”*

**HR Technical Committee**

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