

Levels of Service Strategic Sharing Group: Developing Customer Levels of Service

Meeting Date April 8, 2021 from 1:00 p.m. – 2:30 p.m. EDT
Facilitator Jenessa Doherty, Canadian Water Network

Developing customer levels of service is critical to effective and efficient utility management. The challenge lies in understanding how to meaningfully engage with customers and what strategies and measures can be adopted to successfully monitor and evaluate progress. The ultimate goal of building valuable and relatable customer levels of service that reflect the needs of the customer comes down to finding the right tools for the right context. Whether the customer is a municipality, a business or a resident, adopting effective practices is critical to success.

The fourth meeting of the Strategic Sharing Group – **Advancing Levels of Service in the Context of Uncertainty** – was held on April 8, 2021. The objective of this meeting was to understand how to approach meaningful customer engagement as a starting point for developing relatable customer levels of service. In addition, this meeting explored strategies and tools that utilities can adopt to either kick-start or further develop their customer levels of service and identify effective communication methods and strategies that resonate with diverse customer segments. (see [meeting agenda](#)).

The meeting kicked off with a facilitated group discussion about utility strategies and initiatives for developing customer levels of service, including challenges and success stories and what further guidance and support are needed. Following the group discussion, a guest presentation was provided by Troy Sykes, Technical Advisor and Steve Verity, Principle Advisor from Institute of Public Works Engineering Australasia/NAMS Canada.

Below is a list of the specific themes that emerged from the meeting.

- **Customer Engagement Strategies**
 - Including: deepening understanding of diverse customer segments, customer expectations and experiences, and strategies for effective engagement
- **Creating a Culture of Customer Levels of Service**
 - Including: crossing organizational silos in pursuit of customer levels of service, responding to competing priorities and resources, fostering cross-departmental collaboration, and building a line-of-sight connecting technical, corporate and customer levels of service
- **Communication Strategies**
 - Including: linking asset management to user experience, generating public awareness, and improving customer awareness of underground infrastructure

Key Insights

Customer Engagement Strategies

Participating utilities and municipalities have identified engagement across different customer segments as a critical component to advancing customer levels of service. The need to change the narrative lens from 'what does the utility want to do for the customer' to 'what does the customer want the utility to do for them' is key to better understanding the starting point of developing meaningful and relatable customer levels of service.

Key Challenge: Understanding the customer

- **Knowledge gap:** Deepening understanding of diverse customer segments
 - Customer expectations and experiences may change depending on the customer segment. To successfully move customer levels of service forward in a meaningful way, the municipality/utility must develop a deeper understanding of the diversity of its customers - their individual contexts and experiences, and their willingness to pay for different services.
- **Potential strategies:** Participants have adopted many diverse approaches to understanding their customer segments including the development of personas, customer journey mapping, customer outcome statements, internal focus groups, customer relationship management (CRM) systems, customer citizen panels, customer portals and applying a customer lens to utility measures and commitments.

Key Challenge: Effective engagement strategies

- **Knowledge gap:** Finding the right engagement strategy for the right customer segment
 - Whether residential, commercial or municipal, different customer segments have different needs and expectations. Finding the right engagement tool is critical to capturing the relevant knowledge and insights needed to set levels of service targets that resonate with the customer.
- **Potential strategies:** Participants have implemented several customized strategies and measurement tools to determine the success of their engagement practices. Some examples include collecting experience statements, conducting customer surveys, convening customer focus groups, and administering water perception surveys.

Creating a Culture of Customer Levels of Service

Many utilities and municipalities across Canada continue to grapple with finite resources, competing priorities and climate uncertainty. This has resulted in barriers to prioritizing customer levels of service. Despite consensus among Strategic Sharing Group participants that building

meaningful levels of service is critical to success, utilities and municipalities have highlighted that it is often a challenge to get organization-wide support and/or council buy-in.

Key Challenge: Crossing organizational silos in pursuit of customer levels of service

- **Knowledge gap:** Cross-department understanding of the complete picture
 - Most participants have identified that due to the siloed nature of many utilities and municipalities, the linkages between technical, corporate and customer levels of service are often lost resulting in an incomplete picture of overarching needs.
- **Potential strategies:** Participants have adopted different strategies to facilitate cross-departmental collaboration and build a line-of-sight connecting technical, customer and corporate levels of service. These strategies include cross-department working groups, partnership meetings, cross-department implementation teams, and collaborative target setting.

Key Challenge: Competing priorities and resources

- **Knowledge gap:** Identifying where to fairly allocate staff time, capacity and resources
 - Utilities and municipalities across Canada have historically prioritized keeping assets in state-of-good-repair and upgrading or refurbishing assets that do not meet the standards set out by provincial regulations or by the organization. Utilities and municipalities are now striving to gain leadership momentum and seek opportunities for high-level discussions on customer levels of service. Participating municipalities have identified the prioritization of resources and funds as a key component to successfully developing and implementing customer levels of service.
- **Potential strategies:** Strategic Sharing Group participants have implemented a number of strategies to help create a culture of customer levels of service. These include cross-department collaboration, creating interdepartmental teams, developing a corporate balanced scorecard, and creating staff-led organizational indicators.

Communication Strategies

Effectively communicating and engaging with customers is only one step in the process of developing customer levels of service. Building customer awareness of the water, wastewater and stormwater context is a critical component of organizational transparency that can lead to a better understanding of local conditions. This can often foster more effective engagement, leading to more informed decision-making and priority-setting. Many participating utilities and municipalities have identified that generating awareness across the customer base can help build

a broader understanding of what decisions are being made, why they are being made and how they are being made. Armed with this information, customers can provide more informed feedback, which ultimately helps the utility to better shape customer levels of service.

Key Challenge: Linking asset management to user experience

- **Knowledge gap:** Increasing awareness of 'hidden' water, wastewater and stormwater infrastructure
 - Water infrastructure and processes are buried underground – out of sight for customers. This makes it difficult for customers to see and understand the role certain infrastructure plays in providing critical services. One utility highlighted that providing customers with information on the infrastructure that provides the services they receive and rely on is incredibly important in generating an understanding of where investments are being made.
- **Potential strategies:** One participant highlighted the use of two key campaigns to help contextualize the link between asset management and the user experience: [Water Is awareness campaign](#) and [Water Heroes campaign](#).

Key Challenge: Generating public awareness

- **Knowledge gap 1:** Building awareness before engaging the customer
 - Customers often do not know enough about what and how water, wastewater and stormwater services are provided. Building this knowledge and awareness before engaging with the customer can lead to an enhanced ability to shape meaningful and relatable customer levels of service.
 - One Strategic Sharing Group participant highlighted the importance of not only identifying what the utility *is* doing, but what the utility is *not* doing. This helps foster transparency and trust.
- **Knowledge gap 2:** Better communication practices across customer segments, board and council
 - Utilities and municipalities have identified a need to better communicate with customers and board and council members. The importance of capturing both risks and opportunities and subsequently communicating them effectively is key to sustainably setting, implementing, monitoring and tracking customer levels of service.
 - Many utilities and municipalities identified that informed feedback is often achieved only when customers first have an understanding of the context in which decisions are being made and services are being delivered.
- **Knowledge gap 3:** Understanding asset use

Canadian Water Network's 
Canadian Municipal Water Consortium

- Utilities and municipalities highlighted that effective customer engagement can help identify what assets are underused and which are overused. This can ultimately contribute to decisions on where investments should be made.
- In many areas, there is a disconnect between design criteria and system performance. Highlighting how the level of service expectation will change year over year in parallel with how the system functions is another key component to understanding where investments need to be made.
- **Potential strategies:** Participating utilities and municipalities have identified some strategies and initiatives aimed at increasing public awareness. These include educational campaigns, consultation through water, wastewater and stormwater master planning, partnership meetings with internal staff, cross-departmental working groups, and conducting water perception surveys with customers.

CONFIDENTIAL

Canadian Water Network's 
Canadian Municipal Water Consortium

Attendees

Name	Title	Municipality/Utility
Shannon Abbott	Water Utility Manager	City of Calgary
Kate O'Neill	Leader, Business Strategy	City of Calgary
Katherine Craddock	Team Lead, Customer Experience Planning	City of Calgary
Meaghan McClurg	Team Lead (Service Levels)	City of Calgary
Bu Lam	Director, Sanitary & Stormwater Utilities	City of Kitchener
Amy Furtado		City of Kitchener
Robert Grimwood	Senior Engineer, Capital Planning and Strategic Asset Management, Planning, Infrastructure & Economic Development Department	City of Ottawa
Michelle Warywoda	Director – Environment, Infrastructure and Operations	City of Thunder Bay
Steven Murphy	Project Manager, Infrastructure & Operations Department	City of Thunder Bay
Michelle Revesz	Integrated Sewer and Drainage Planning Manager	City of Vancouver
Brandon Hildebrandt	Asset Manager	City of Vancouver
Maggie Sheu	Senior Engineer - Sewer Connections & Survey	City of Vancouver
Susan Ancel	Director One Water Planning	EPCOR
Jamie Hannam	Director, Engineering & Information Services	Halifax Water
Cathie O'Toole	General Manager	Halifax Water
Valerie Williams	Manager, Asset Management	Halifax Water
Brent Burton	Division Manager, Metro Vancouver, Liquid Waste Services, Policy, Planning and Analysis Division	Metro Vancouver
Lisa Babel	Director, Project Planning and Delivery	OCWA
Susan Ancel	Director One Water Planning	EPCOR
Heather Zarski	Planning Specialist	EPCOR
Michael Latimer	Research and Initiatives Advisor, Corporate Asset Management	York Region
Carissa Cautillo	Project Manager, Asset Management Strategy	York Region