



# Initiative #1: Improving Customer Service

## INITIATIVE INFORMATION

<b>Business Unit/Division</b>	Customer Care Division						
<b>Initiative Executive Sponsor</b>	Kelly Enright						
<b>Initiative Project Manager</b>	Sandi Fukumoto						
<b>Legally mandated/Required?</b>	No						
<b>(\$000's)*</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
<b>O&amp;M \$ Amount</b>	6.5 m	6.5 m	6.5 m	6.5 m	6.5 m	6.5 m	39m
<b>CIP \$ Amount</b>							
<b>Total \$</b>	6.5 m	6.5 m	6.5 m	6.5 m	6.5 m	6.5 m	39 m
<b>FTEs assigned</b>							

\* Please note these are existing budget dollars. No additional budget or FTEs are requested.

## INITIATIVE SUMMARY

**A. Description:** This initiative creates a full-service customer relationship hub by integrating 4 programs/projects that will provide multi-channel opportunities for our customers, as well as full access to information and support.

Customers don't just want great customer service, they demand it. The call center will be at the forefront of the new customer service strategy. Trends of customer service of the future are:<sup>1</sup>

- The call center will become a "Relationship Hub"
- Customer Service Agents Will Become Super Agents
- Web Chat Will Become an Increasingly Popular Customer Service Channel
- Customer Service will Become the Key Differentiator between competing services
- Mobile Is the Future for Customer Service Agents and Customers

<sup>1</sup> Tim Pickard, The Future Call Center: 10 Predictions for the Next 10 Years, 2/11/2015  
<http://www.smartcustomerservice.com/Columns/Vendor-Views/The-Future-Call-Center-10-Predictions-for-the-Next-10-Years-102027.aspx>

- Expect Channel Preferences to Change—and Change Again

City Light needs systems and services in place to stay on pace with these trends and customer expectations. With the installation of advanced metering, the new billing system and the Outage Management System (OMS) upgrade, City Light will have a unique opportunity to improve customer satisfaction.

Given the scope of change, Customer Care has been evaluating the current state of customer service and internal processes and have identified opportunities to proactively integrate these services. Our customer base has expectations of convenient, interactive, personalized and value-added services.

- B. Context:** Customer Care currently provides some contact center type activity (budget billing, credit and collections, street light response, etc.) but contracts a significant portion of its call handling to Seattle Public Utilities (SPU). \$6.5 million represents 14% of Customer Care's total budget. This arrangement went into effect as the result of a Mayoral Directive more than 20 years ago. City Light has the capability of taking its portion of the calls back from Seattle Public Utilities and turn it into a 24/7 operation.

**C. Component(s) of initiative:**

- a. City Light 24/7 Full Service Contact Center/Customer Service Team

This program will establish a multi-channel, full service Seattle City Light Customer Contact Center, to be managed and operated under City Light leadership and staffed by existing City Light employees, possibly augmented by employees transferring from the current SPU call center. The Customer Contact Center will include a City Light Call Center for residential customers and a 24/7 customer service team operating within the Call Center. This represents an essential change in operations made necessary by our desire to improve customer service and stay current with the range of new services we will be providing our customers with new systems, technology and customer service improvement initiatives.

The installation of Advanced Metering provides a unique platform to improve customer satisfaction metrics and simultaneously develop a contact center modernization opportunity. Initially, operational improvements will decrease the need to place a phone call. Driving further for contact center service delivery enhancements are the benefits of having a new data source. City Light employees familiar with the advanced meter data and service offerings could transform the City Light portion of the SPU contact center into a 24/7 customer service team/contact center by utilizing existing City Light staff from the existing City Light Contact Centers which provides multichannel customer service and major customer outage communication. There may be some employees from SPU who may need to transfer over for ongoing support, but ultimately City Light would now maintain complete responsibility for its customer contacts.

b. Enhanced Digital Customer Experience

This program will establish City Light as a leader in customer service by providing a customer portal that is convenient, interactive and personalized. The enhanced digital customer experience will:

- i. Develop a centralized strategy for implementation and management of all customer experience projects and programs as well as a cohesive and unified vision for the customer experience and the ability to meet, measure and enforce that vision. Moreover, this objective is to get buy in to administer the strategy and vision from SCL executives.
- ii. Develop the customer portal design and coordinate the implementation, including all related projects that have a digital customer interface feeding into the customer portal.
- iii. Maintain a leadership status in customer service by maintaining dedicated cross functional teams, committees, task forces and stake holder engagement. Examples include the digital customer experience (DCX) advisory board and DCX steering committee.

c. Commercial Customer Service Center

This program will establish a specialized relationship hub for our midsize commercial customers. Commercial customers are a large segment of the customer base in terms of numbers, energy use, and growth. They have disproportionately large customer-service needs because of the diversity and complexity of their accounts, and the importance of energy to their businesses. These needs are not currently being met. This initiative will allow us to build this customer base, and streamline and improve relationships. We will improve the customer-service experience and become a leader in customer service technology solutions. We will improve customer satisfaction, have fewer calls to the general call center and Electrical Service Representatives, have more direct contact with customers, quicker resolution of issues, greater participation in energy-efficiency programs, and ultimately obtain better business intelligence to reduce operating and support costs.

d. Customer Relationship Software Implementation

This project will secure a comprehensive Customer Relationship Management (CRM) solution that will allow customers to engage with us more easily and effectively by tracking all customer touch points and market existing as well as new services. The CRM will be utilized across the utility to ensure customer information, communication, analytics and reporting are available for multiple teams, for more efficient and accurate customer service.

**D. Business Value:**

City Light currently pays 64% of pro-rated share of costs for the shared call center, at \$6.4 million annually. With the implementation of this initiative, City Light will be able to re-focus those resources on the City Light Relationship Hub, utilizing the dollars to support the 4 projects which support the outcomes of the initiative.

City Light will be able to benefit from efficiencies and service improvements through direct management of services for our customers. Integrated resources will be key to realizing efficiencies. These include:

- a. Greatly improved internal and external customer experience by providing a cohesive and unified approach to customer service.
- b. Improvement in the customer experience by approaching customer service from the customer's perspective; giving them personalized and convenient access to their accounts, data and status updates on projects.
- c. Internal subject matter experts will be incorporated into the Customer Contact Center to provide resources to resolve complex issues on the first call and to be available on an on-going basis as coaches and trainers
- d. A new staffing model would incorporate a 24/7 customer service team, rather than having to establish a separate call center for after hours
- e. The services can be readily integrated with other customer service functions, including the Commercial Customer Service Center, which is a key component in reaching these historically underserved customers
- f. The implementation of a full portal will reduce calls to the Contact Center, reduced call volumes and Improved processing of customer applications for programs and services.
- g. Choice of digital service such as webchat are more efficient than traditional single channel methods.
- h. Avoided overlap of projects and more comprehensive administration and implementation of projects will lead to some savings and better efficiency.
- i. Continued improvement of the customer portal will provide the utility with opportunities to provided value added and/or revenue generating services.
- j. Information sharing across the CRM will generate work process and customer service efficiencies.

In addition to the business value, the direct impact to improved customer service is significant. The current call center is not proficient in the range of complex issues unique to City Light customers, and is not able to be responsive to the emerging technologies and new systems and programs being implemented by City Light. There is a conflict in mission and priorities for employees working under the current Call Center model. They are expected to serve two utilities with five lines of business - electrical, water, sewer, garbage and drainage. This creates a challenge for, and inefficiencies in, training and management of operations. Separating services between the utilities would allow employees assigned to City Light services focus on the skills and information necessary to effectively provide the range of available services.

**E. Opportunity for increased revenues and/or decreased costs:** City Light currently pays \$6.5 million to SPU to provide call handling. Customer Care has the structure in place to create a 24/7 operation. With several technology projects in process: Advanced Metering Infrastructure (AMI), Customer Self Service Portal and

Outage Management System upgrade there will be significant automation and self- service options for customers. Customer Care personnel familiar with the account work can provide the direct contact to customers as needed instead of a heavy reliance upon SPU's Contact Center. Expected annual savings of \$2 million or more.

### 2019 - 2024 INITIATIVE MILESTONES AND DELIVERABLES

The milestones and deliverables are established in phases to minimize business disruption, ensure a smooth transition of staff, and yield some early and recognizable results. The development of the Customer Relationship Hub and its associated projects are roughly organized around 4 phases:

- Design
- Infrastructure Development
- Training and staff preparation
- Implementation

Milestone	Due Date	Deliverables and Comments
<b>Initiative Start</b>	Q2 2018	Negotiate agreement with SPU to establish separate City Light Contact Center, sharing existing space and resources and staffed by a pro-rated number of employees assigned from SPU (selection process would be negotiated between the utilities)
	Q2 2018	Launch pilot commercial customer service center launch
	Q4 2018	Establish organizational structure for Relationship Hub and Contact Center; staffing plan using SPU call center staff, CL validation, credit & collections staff; set up transitional manager
	Q1 2019	Development of transition plan for staff who will focus on City Light business lines
	Q1 2019	Establish new Interactive Voice Response (IVR) or call distribution routing to separate SPU and SCL functions
	Q2 2019	Phase 1 of the City Light Customer Portal goes live, laying the foundation for a unified (non-fragmented) customer experience.
	Q2 2019	Establishment of necessary tools for independent operations and performance standards, including IVR, performance dashboard, and reporting, as well as initial work on the CRM.

	Q2 2019	Employees participate in City Light training program, including modules on City Light programs and services and job shadowing of subject matter experts, engineers and conservation (can be modeled on training being developed for the Commercial Customer Service Center)
	Q3 2019	Initial pilot separation of Contact Center commences, with SPU staff earmarked for new relationship hub responding to focused lines of SCL business
	Q4 2019	Report out on preliminary metrics of full relationship hub, utilizing final analysis and recommendations based on data and market research gathered through commercial contact center pilot
	Q1 2020	City Light and SPU make appropriate changes to budget and FTE allocations for 2019-2020 budget
	Q1 2020	City Light has full ownership of management and operations of Contact Center.
	Q1 2020	Phase 2 of the City Light Customer Portal goes live, integrating all of City Light's online presence into the portal, providing the single point of entry to the full suite of digital services, requested by customers and service providers.
	Q1 2020	Develop and staff web chat/email response team
	Q2 2020	Launch CRM
	Q2 2020	Launch 24/7 team using Contact Center staff
<b>Initiative Complete</b>	Ongoing	Continuous improvement and adaptability as customer expectations and technologies evolve

## SOCIAL EQUITY

The expanded, full-service independent Customer Relationship Hub promotes equity in several meaningful ways:

- Gives customers 24/7 access which benefits individuals whose schedule does not allow for contact during the work day;

- Provides a broad platform of channels which allows customers greater choice;
- Will access the language bank to provide services in a range of language;
- First call resolution, shorter wait times and "super agents" will benefit all customers equally; and
- Gives focused customer service to small and medium commercial businesses which are currently underserved by the utility's customer service

**METRICS FOR SUCCESS AND METHOD FOR MEASUREMENT**

The success of this initiative will be measured by improving scores in Contact Center performance, including meeting metrics established for:

- percentage of calls handled
- percentage of calls abandoned
- average speed to answer
- first call resolution
- completion of emails
- percentage of Telephone Service Factor (TSF) - Rate at which calls are answered in 60 seconds or less.
- cost per contact

**Current Metrics:**

Measurement	Current Target	2017 actual (SPU)	2018 actual (SPU)	Best Practice
Percentage of Calls answered in 60 seconds or less (TSF)	80%	60%	24%	80% in 30 seconds or less
Percentage of Calls Abandoned	15%	26%	19.57%	10% or less
Average Speed of Answer	5 minutes	10.89 minutes	7.3 minutes	30 seconds
Average Handle Time	9 minutes	10.43 minutes	10.97 minutes	7 minutes

Additionally, we will be monitoring factors such as number of incoming calls, wrap codes for calls, web and self-service traffic, time of contact (day, evening, night), and tracking and completion of customer projects and elimination of backlogs.

Customer feedback will be solicited through independent customer surveys and journey mapping. JD Power rankings and feedback from their surveys will also be tracked.

## STAKEHOLDER OR CUSTOMER IMPACT

The potential impacts of this initiative to stakeholders and customers is overwhelmingly positive. These include:

- Customer service across all customer groups will be greatly improved by approaching customer service from the customer's perspective and giving them equitable, personalized and convenient access to their accounts, data and status updates on projects;
- Efficiencies in processes and services realized, which will benefit internal work groups and ultimately better serve the customers;
- Reduced customer calls to the Mayor's Office and Council; and
- Improved customer service for Seattle Public Utility customers at the SPU call center.

While SPU will no longer receive revenue for support of the call center from City Light, that will be offset by a reduction in costs and services that they need to provide.