



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: February 22, 2012

TO: Natural Resources and Culture Committee – Agenda of February 29, 2012

FROM: Roger Bailey, Director of Public Utilities

SUBJECT: Utility Billing Call Center - Customer Care Solutions (CCS) Status Update

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On July 5, 2011, the Public Utilities Department deployed an SAP Customer Information and Billing system (CCS). Following the system conversion, customers experienced service level impacts and call center access challenges. The department reported these issues and detailed actions planned and commitment to resolve them in an informational item presented to the Natural Resources and Culture Committee (NR&C) on November 9, 2011. During the report, the department also provided performance metrics for key activities in the new system which showed that, in spite of the call center access and service level issues, the system itself is working well overall. This report provides a status update to that presentation.

**Background**

Customer Care Solution (CCS) replaced the legacy Customer Information System (CIS) and the Installation Order System (IOS). CCS is an enterprise customer service information and billing system planned and implemented as part of the roadmap for the citywide SAP Enterprise Resource Planning (ERP) System. It also established the foundation for the “one and only one” Business Partner model currently in place. Other benefits include improved reporting, more effective internal controls and monitoring and expanded opportunities to automate and optimize existing processes. For instance, utility invoice production, preparation and delivery have now been fully automated using a third party vendor. In addition, the new CCS on-line customer billing and payment portal provides broader customer access to online self-service options. As a result, the number of customers using the new portal has increased significantly. Implementation of CCS is also consistent with the department’s goals of continuous improvement and optimization of service delivery.

CCS supports all Public Utilities’ call center functions for customer account management, including customer information, water and sewer repairs, billing exceptions, payment processing and administration. The call center serves approximately 260,000 customers at approximately

274,000 service locations. Of these, over 62,000 customers have successfully enrolled in the new customer portal, an increase of 44 percent over the 43,000 customers enrolled in the old system. Annually, the call center receives over 300,000 calls and issues over 1.9 million utility bills. This high volume activity results in 1,200 calls received and 4,000 mailed-in payments processed for a total of approximately \$2.8 million in payments received and processed on average each day.

### **Post Go-live Achievement and Challenges**

The new computer system continues to work well overall. With minimal exceptions, it is performing the way it was designed and built. Bills are generated and sent to customers timely; payments are received and processed promptly; and more customers than ever before are using the online system. In addition, fewer customers are being disconnected for non-payment. Nevertheless, in spite of the overwhelming success of this conversion, there are some post implementation business process issues which have impacted the call center's ability to return to the service levels utility customers expect and deserve. The periodic review and transformation of call center processes to make improvements in service delivery is consistent with the department's goal of continuous improvement.

Speed of answer and ease of use – Since the new system was launched, customers have not received the same quick and easy phone access that was previously provided, that our customers expect, and that the department strives to achieve. In spite of the many benefits and improvements provided by the new system, it is not yet as quick and easy for the highest impact users. It is still taking longer to handle each call in the new system, thereby reducing the number of calls that can be handled each day and the amount of time callers must wait before connecting with an agent. Improvements are continuing to be made in these areas.

Stronger controls – To ensure customers receive an accurate bill, stronger controls in the new system have increased the number of "exception" bills, bills where measured consumption is inconsistent with the customer's normal consumption pattern. These exceptions must be reviewed and acted upon before being released to customers. Initially, the added workload resulted in a backlog of exception cases. The steps performed to resolve these billing issues are complex; however, significant improvement has been achieved in this area and the backlog nearly eliminated (see the Exception Case Count Summary, Table 3).

Adapting business practices and procedures – Opportunities to leverage the new system's capabilities and improve business processes remain and continue to be identified in support of the department's goal of continuous improvement.

### **Current Service Level Performance**

While the system is performing well overall, some functions and processes are being further refined and improved. This is both common and expected after the deployment of a new system. One of our successes is the establishment of a voicemail option that allows callers to leave a

message in lieu of waiting in the phone queue. Customers are asked to provide their preferred call back time as well. Since it was implemented on January 3, 2012, messages from more than 6,200 customers have been returned consistently the same or the following business day. Other efforts with more visible customer impact are described in more detail in the Additional Efforts Underway section below.

In November, the department committed to hire additional temporary staff to supplement full time staff until these service level issues are resolved. Four temporary employees hired in November completed their training and began assisting customers at the beginning of January. Six additional employees in various stages of the hiring process will begin training in early March and begin assisting customers in mid-April. These added resources are providing the extra bandwidth needed to get service levels and call center access back to the point our customers expect, while steps and processes continue to be fine-tuned and streamlined for front-line agents.

There are two major categories of calls that come in to the call center, customer service and emergency repairs. It is important to note that the call center access issues are exclusive to customer service callers and have not significantly impacted service levels to callers reporting water and sewer system emergencies.

Table 1 below shows current performance levels achieved for calls. More significant improvements in these service levels are expected as service level targets depicted later in table 2 are achieved between now and the end of the fiscal year.

In summary, the baseline benchmarks for call center performance were established using actual call center performance as of June 2011, the month before CCS go-live. At that time, it took approximately 2 minutes for customer service callers to reach a customer service representative and the call took just under 4 minutes to resolve. As of February 17, 2012, the average wait time for customer service callers was reduced from a post implementation high of 16.5 minutes to 10 minutes. Likewise, average call duration has been reduced from a post implementation high of 6.5 minutes to about 5.5 minutes. Most customer services callers are contacting the call center regarding normal customer service functions and requests, which include the following:

- Open, close, modify account
- Billing exceptions (high/low bill, estimated read, concealed leak and other adjustments)
- Payment extension/deferrals
- Service disconnection/restoration (non-payment)
- Online customer portal assistance

Table 1 – Current Service Level Performance

Service Level Type	2011				2012	
	Sep	Oct	Nov	Dec	Jan	Feb (MTD)
Average Speed of Answer (ER)	1:50	1:20	1:21	1:35	1:40	1:46
Longest Speed of Answer (ER)	28:22:00	15:25	15:30	20:51	24:01:00	29:10
Average Speed of Answer (CS)	7:40	12:01	10:00	12:49	16:26	10:05
Longest Speed of Answer (CS)	1:03:42	1:14:14	0:54:23	1:12:19	1:52:08	0:56:04
Average Call Duration	6:19	6:29	5:51	6:05	5:16	5:28
Calls Pushed to Alternative Channels	62,492	46,793	48,925	42,500	14,180	433
Customer Call Back Messages				310	3,499	2,804

MTD = Month to Date  
ER = Emergency Response  
CS = Customer Service

### Performance Targets

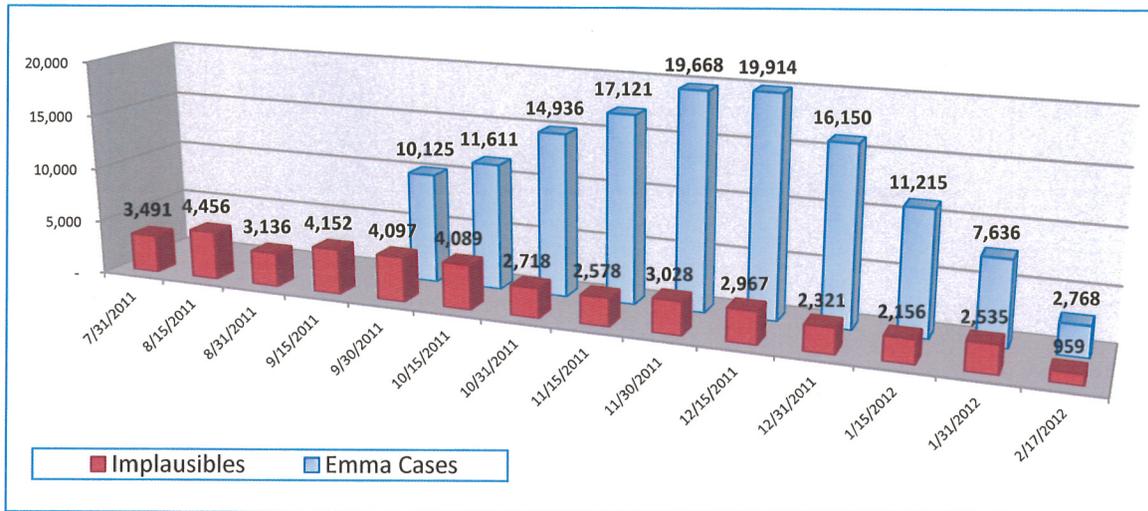
Restoring service levels for customer service caller access to call center agents is of the utmost importance. To guide/evaluate efforts and maximize subsequent results, the following performance targets established in January are being tracked and evaluated on an ongoing basis (Table 2). Results are shared with employees to recognize their success, target areas for improvement and make adjustments when necessary (i.e., provide additional targeted training).

Table 2 – Service Level Targets

Service Level Type	2012					
	Jan	Feb	March	April	May	June
Average Speed of Answer		<12min	<10min	<8min	<4min	<3min
Longest Speed of Answer	<50min	<45min	<40min	<30min	<25min	<20min
Average Call Duration		<5min	<5min	<4.5min	<4min	
Calls Pushed to Alternative Channels	0					

In addition to tracking key service levels, the productivity of the functional teams and individual agents is also evaluated. The associated metrics demonstrate that call center staff proficiency with the system and overall productivity are continuing to improve as agents move through and beyond the new system's learning curve. In addition, the growing throughput is reflective of the agent's increasing confidence using the new system. This is resulting in significant reductions in workload backlogs for resolving the most difficult billing issues (Table 3). Equally important, employee morale and the overall call center environment are improving, which are both strong indicators of highly productive teams.

Table 3 – Exception Case Count Summary



Number of outstanding exception cases at specific points in time (semi-monthly). EMMA cases began to be collected in September, 2011.

The table above shows the backlog of billing exceptions, which are categorized as Implausible Meter Reads and EMMA cases. Implausible meter reads are reads which are outside tolerance thresholds compared to estimated/expected reads. An EMMA case is generated when a transaction is not successful due to errors or problem data, such as data interfaces or meter exchanges.

In December EMMA cases had reached a high of nearly 20,000. By mid-February, this backlog in exception bills has been reduced by over 86 percent to less than 2,800 cases.

### Additional Efforts Underway

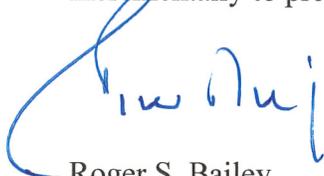
Improving customer service delivery and call center accessibility continues to be the main goal. To facilitate customer access and reduce calls to the call center, the following new payment/account management options are on target for implementation in March and April.

- *Online self-service request to open/close accounts* – New and existing customers will soon be able to request the start/stop of utility services online.
- *Establishing 25+ walk-in payment centers* – A contract with the service provider is being finalized. The specific locations will be the same or similar to the current third-party locations available for payment of SDG&E bills. Information about these locations will be available on our website ([www.sandiego.gov/publicutilities/](http://www.sandiego.gov/publicutilities/)) and by calling the call center (recorded information) once this is rolled out. Users of this service will pay a minimal

convenience fee directly to the vendor for this payment option, like they do now with the current individually contracted providers.

- *Credit Card payment option* – Providing this option for online users was included in the CCS project scope and planned for release after the initial go-live of the system. There are no additional incremental costs over and/or above the costs for the CCS project.

The department will continue to work diligently to address the current challenges, while also continuing to optimize service delivery. Progress continues steadily and call center access/service levels continue to improve. Both the CCS project and call center staff are doing a tremendous job responding to these issues and are committed to improve service levels incrementally to pre-implementation levels before June 30.



Roger S. Bailey  
Director of Public Utilities

MV/DD

cc: Alex Ruiz, Assistant Public Utilities Director  
Michael Vogl, Customer Support Division Deputy Director