



CUSTOMER SERVICE

The Present Situation in Albanian Water Supply Utilities and the Future Recommendations

**Author: Avni Dervishi Chairman
Altin UKA, Vice Chairman
Arjan Jovani Member NC
Water Regulatory Authority of Albania**

**INTERNATIONAL WATER WEEK, AMSTERDAM,
September, 2011 2 NOVEMBER 2011**

CONTENTS

The Contents	1
The Albanian Contents	2
The Albanian Water Sector -1	3
The Albanian Water Sector -2	4
The Water Regulatory Authority	5
The Situation of “Customer Service” of Utilities	6
The Objective of the Study	7
The Consumer Service Study	8
The Consumer Service Study – Methodology - 1`	9
The Consumer Service Study – Methodology – 2	10
The Consumer Service Study – Methodology – 3	11
The Consumer Service Study – Methodology – 4	12
The Consumer Service Study – Functional Areas Recommendations	13/14/15/16

THE ALBANIAN CONTEXT

- ❑ Western Balkans, population 4.2 million, 28 748 km²
- ❑ Had for over 45 years one of the most authoritarian regimes in the world
- ❑ Public ownership of all assets, political and economical central planning
- ❑ 1990 - establishment of democracy and market economy
- ❑ Strong economic growth since 2002 and rapid fall in absolute poverty - 12.4% in 2008

1- THE ALBANIAN WATER SECTOR

- ❑ Pop. with access to drinking water: 69% in 2002 - 87% 2010
- ❑ Pop. with access to sewerage: 64% in 2002 - 67% in 2008
- ❑ In the past the water companies were owned by central govt.
- ❑ Decentralization in 2007
- ❑ Ownership to local authorities
- ❑ Commercialization and Regionalization

2- THE ALBANIAN WATER SECTOR

- **There are 56 water and sewerage Operators in Albania**

- Manage water supply systems in 86 % of Albania ;
- Manage sewerage systems in 52 % of the country (600,000 clients).

- **The challenges of the Sector:**

- Water Demand Management;
- Financial Sustainability of Water Utilities and Government Subsidies;
- Capital Investment Needs;
- Qualification of Technical and Managerial Staff.

□ **Mission of WRA:**

- To ensure for all Albanians that water and sewerage service providers deliver the highest achievable quality at a fair price and in a financially sustainable manner

□ **Functions of WRA:**

- Gives the licenses for all the operators of the sector
- Sets tariffs
- Prepares/approves uniform service standards
- Protects the interest of the public and the Consumers
- Establishes a transparent, legal and regulatory environment

THE CURRENT SITUATION OF “CUSTOMER SERVICE” AT UTILITIES

- ❑ To ensure equality for all of its citizens when it comes to human rights in terms of drinking water and sanitation;
- ❑ To recognize the unique role of safe drinking water and sanitation in supporting quality of life;
- ❑ It has been understood the natural, monopolistic character of delivering this essential public service, and the need for equity and fairness for all participants in the sector;
- ❑ It should be known the relationship or interaction between utilities and customer;
- ❑ It should be known the level of Customer Services provided by utilities;

THE OBJECTIVES OF STUDY

- ❑ To determine the level of Customer Services being provided by the 56 water supply and sewerage companies in the country
- ❑ To provide advice and recommendations, based on the Best International Practices;
- ❑ To improve the Customer Services in Water Utilities of Albania;
- ❑ The recommendations will be used as a situation analysis and *inputs for the future preparation in a second step by the Water Regulatory Authority of Standards and Customer Services Guidelines to be introduced in all Albanian Water Supply and Sewerage Utilities*

THE CUSTOMER SERVICE STUDY

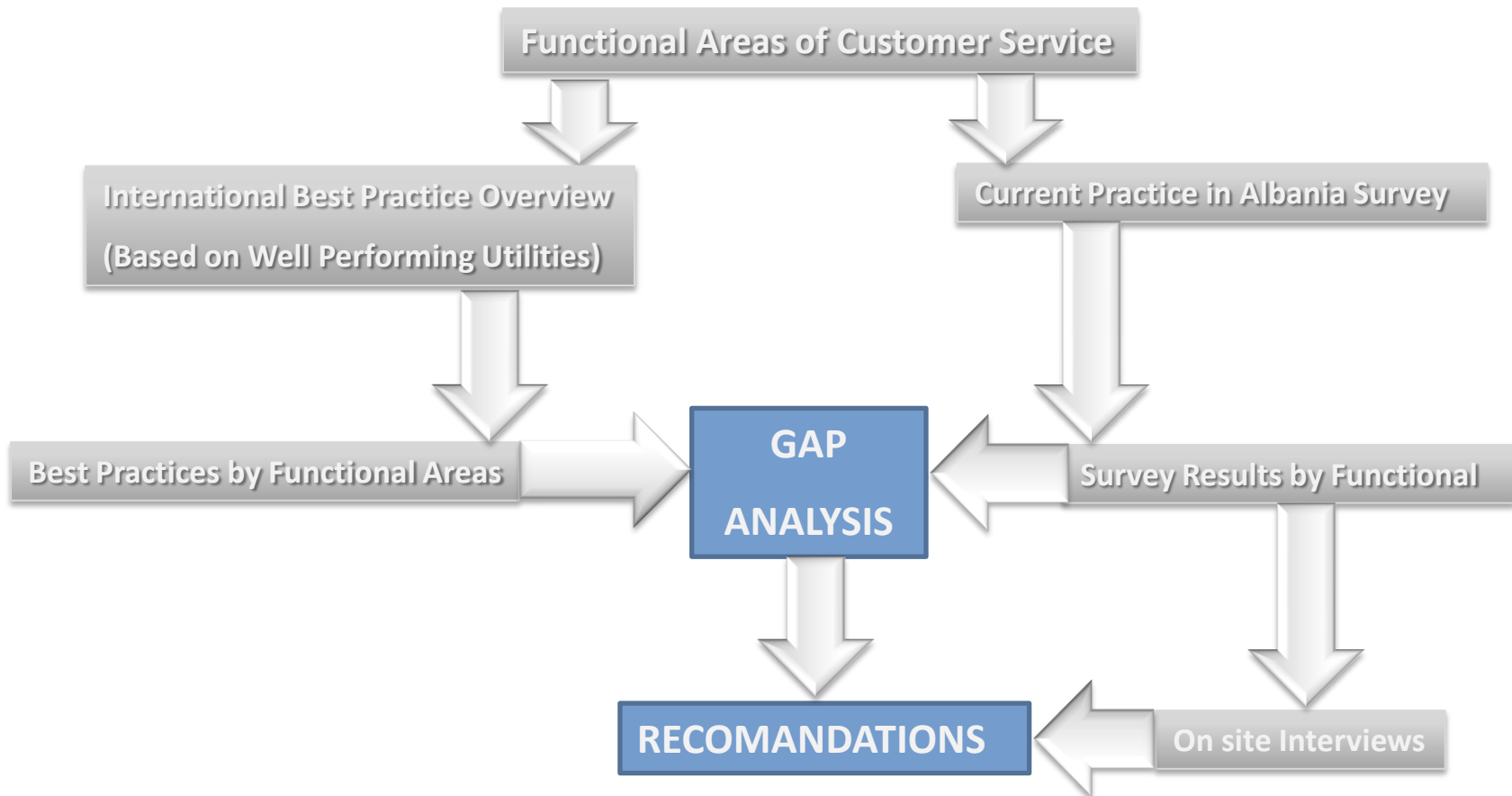
□ It has been organized into three main chapters:

- **Functional Service Areas and International Best Practice**
- **Current Situation Analysis**
- **Gap Analysis and Final Recommendations**

□ Defining of the functional areas, both the International Best Practice Survey and the Current Practice in Albania Survey.

- ***Customer Service Organization and Staffing***
- ***Customer Database Management***
- ***Public Information and Communication / Feedback Management***
- ***Customer Complaints Management***
- ***Meter Management***
- ***Billing and Collection Management***
- ***Disconnections / Non-Payment Procedures***

1- THE CUSTOMER SERVICE STUDY - METHODOLOGY



September, 2011

2- THE CUSTOMER SERVICE STUDY - METHODOLOGY

□ The International Practice Overview

- *The International Best Practice Survey as a tool to determine current best practices in customer service of water utilities worldwide*
- *To be realized through a Questionnaire*
- *Practice baseline includes a total of seven (7) water supply and/or sewerage utilities as best practice examples*

□ Conduct National Survey of all Water Supply and Sewerage Utilities and Develop Sector-wide Situation Analysis

- *It being realized through a survey of the Customer Service at each of the 56 Albanian water companies*
- *The data obtained provides a valid and sound insight into the current situation in Albania*
- *The analysis for the level of customer services as being provided by the fifty (50) utilities.*

□ Gap-Analysis and Final Recommendations

- *It consists on a full diagnosis provided by the findings of the Current Situation Analysis in Albania and its comparison with the International Best Practice Overview*
- *The analysis highlighted the most relevant and significant differences between current international best practices and current practices in Albania*
- *To derive to final recommendations to improve the delivery of Customer Service of all water utilities to citizens of Albania*

September, 2011

3- THE CUSTOMER SERVICE STUDY - METHODOLOGY

Functional areas	Key Findings
Customer Service Organization and Staffing	<ul style="list-style-type: none">- Do not show great progress regarding the organizational structure set-The Customer Service staff of water utilities are not adequately qualified and trained- Detailed Job Descriptions, which do not exist in most of the utilities
Customer Data Base Management	<ul style="list-style-type: none">- Moving slowly towards implementation of a properly designed Customer Database Management System- A great amount of information is still managed manually
Public Relation and Customer Feedback Management	<ul style="list-style-type: none">- The Public Relations and Communication with the customer, is not a proper structured and institutionalized function in the Customer Service Department.

4- THE CUSTOMER SERVICE STUDY - METHODOLOGY

Functional areas	Key Findings
Customer Complaint Management	<ul style="list-style-type: none">- Lack the development and implementation of proper procedures or policies to manage Customer Complaints-The systems used to record, file and track customer complaints until final resolution are inefficient in a majority of the cases- Lack of monitoring, analyzing, ranking of customer complaints by category- Lack of corrective technical and administrative measures
Billing and Collection Management	<ul style="list-style-type: none">- There are no customized, computer-based Billing and Collection Systems- Too many utilities still rely on manual billing and collection procedures
Metering Management	<ul style="list-style-type: none">- The meter coverage throughout the country remains very low, and water utilities- To face a great financial challenge to increase meter coverage for all customer categories- To coordinate financial support- Meter reading and recording procedures are completely entirely manually performed
Service Disconnection Management	<ul style="list-style-type: none">- Largely, the water utilities fail to develop and enforce sound Service Disconnection procedures- Missing the rigorous follow-up with legal actions for customers that refuse to pay water bills

THE CUSTOMER SERVICE STUDY

FUNCTIONAL AREAS RECOMANDATIONS

□ Customer Service Organization and Staffing

- ✓ *Formation of a separate organizational unit*
Bundling key customer related activities
- ✓ *Assess the potential for outsourcing activities*
- ✓ *Appropriately qualified and trained staff.*
- ✓ *A detailed job descriptions are available for various type*
- ✓ *To perform on basis of remuneration schemes.*
- ✓ *Departments should open, at least, during the hours of a normal business day*

□ Customer Data Base Management

- ✓ *To be increased the computer-based activities and their level of computerization*
- ✓ *To be introduce a specifically designed customer database management system*
- ✓ *To be kept standard pieces of information on each customer and each connection in their database*
- ✓ *Customer data linked with GIS maps*

THE CUSTOMER SERVICE STUDY

FUNCTIONAL AREAS RECOMANDATIONS

□ **Public Relation and Customer Feedback Management**

- ✓ *PR and Communication Management need to be established as a separate function within the Customer Service*
- ✓ *To develop and implement an Annual Water Utility Public Relation and Communication Plan*
- ✓ *Having more means of communication*
- ✓ *Commitment of a annual budget for implementation*
- ✓ *Step-by-step start to periodically collect, analyze and report Customer Feedback*

□ **Customer Complaint Management**

- ✓ *To introduce standard procedures for complaints management*
- ✓ *All the utilities to develop a set of sub-categories to allow for further monitoring and analysis of complaints*
- ✓ *Front desk and phone operator staff should receive regular training on communication methods, mediation tactics*

THE CUSTOMER SERVICE STUDY

FUNCTIONAL AREAS RECOMANDATIONS

❑ Meter Reading Management

- ✓ *To increase meter coverage*
- ✓ *To switch to handheld devices for meter reading*
- ✓ *To install meter calibration benches at large utilities to whom then other small utilities may outsource their meter calibration.*
- ✓ *To be determined a meter calibration periods (legal basis) and also verifies their implementation*
- ✓ *To evaluate the potential implementation of other meter reading frequencies.*

✓ Billing and Collection Management

- ✓ *Billing and Collection procedures should be detailed*
- ✓ *Staff should be trained*
- ✓ *B&C implementation should be verified by the utility management*
- ✓ *To be introduced specific B&R software and phase out manual operations*
- ✓ *Customization of the software and – where possible and beneficial – to link the billing software to other software applications*
- ✓ *Introducing additional payment methods*
- ✓ *It is recommended to send 1 to a maximum of 2 notifications to late paying customers*
- ✓ *Regular consistency checks of meter readings*
- ✓ *Bills should be set up in a way that all relevant information can easily be seen by the customer*

THE CUSTOMER SERVICE STUDY

FUNCTIONAL AREAS RECOMANDATIONS

□ **Service Disconnection Management**

- ✓ *Service disconnection procedures and action plans should be clearly developed and implemented*
- ✓ *Utilities to carry out awareness campaigns or public hearings to inform the consumer regarding the payment of water bills and provision of water supply*
- ✓ *The Service Disconnection Task Force Teams should be properly trained to perform “on-site service disconnection”,*



THANKS!
FALEMINDERIT !