

Water Utility Management

AWWA MANUAL M5

Second Edition



**American Water Works
Association**

Science and Technology

AWWA unites the entire water community by developing and distributing authoritative scientific and technological knowledge. Through its members, AWWA develops industry standards for products and processes that advance public health and safety. AWWA also provides quality improvement programs for water and wastewater utilities.

MANUAL OF WATER SUPPLY PRACTICES—M5, Second Edition

Water Utility Management

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Chapter 1

Introduction

Bookstores contain rows of academic treatises, quick-study manuals, and discourses on management, motivation, leadership, and a host of other topics. Their shelves are full of books on leadership and management that may not fit the water utility industry. Various authors write that management is either an art or a science or both, and some infer that it is neither.

The American Water Works Association (AWWA) publishes Manual M5, *Water Utility Management*, because utility managers are in a challenging profession, and managerial leadership is key to successful utility operations. Utility managers guide organizations that fulfill a need essential to the public health of the communities they serve. Utility managers are responsible for environmental quality and quality-of-life issues in their communities. These managers face continuing demands to provide excellent service to customers, and what they provide is compared with the types of customer services offered by nonutility businesses and industries. Utility managers are expected to perform their tasks within budgets based on generated revenues that are difficult to increase. Utility managers are asked to ensure the lifeblood of communities that often do not know or understand the value of the water they receive.

AWWA is uniquely positioned to share managerial experience and knowledge from and among its members. This manual provides a ready reference for water utility management and leadership. The manual contains information to help improve the managerial skills described in Table 1-1.

Throughout this manual, several terms are repeated:

- vision—a clear understanding by managers of where a utility is going and what it should be
- mission—what the utility is and what its purpose is
- objectives—the goals set to maintain the mission and achieve the vision
- goals—the specific responsibilities of individuals and work teams that contribute to achieving one or more objectives

Table 1-1 Skill areas

Managing the Utility • The management process • Governance and governing board relationships • Stewardship/ethics • Organization structure and change management • Building utility leadership • Regionalization	Operations and Maintenance • Record keeping • Mapping • Safety • Training • Preventive maintenance • Scheduling • Planning • Human resources • Technology • Communication • Equipment and tools • Policies and procedures • Outsourcing • Specifications and standards • Professional memberships • Support services • Regulatory matters
Communications • Recognizing publics • Routine communications • Internal communications • External communications • Public involvement • Effective media relations • Crisis communications	
Customer Service • Fundamental principles • Key customer service functions • Customer service policies • Consumer confidence reports • Customer interaction • Continuous improvement	Information Systems and Services • Key elements of information technology • Information technology and information systems infrastructure • Web technology • Managing data • Supporting information technology • Standards • Implementing new systems • Emerging issues
Financial Management • Budgeting • Rate design • Related charges • Capital financing • Accounting practices and management controls • Funding alternatives	Legal and Regulatory Planning • Selecting appropriate counsel • Managing the attorney–client relationship • Specialized matters
Environmental Health and Safety • Utility management responsibility for safety • Environmental legislation • Risk management and insurance • Public notification protocols • Occupational health and safety	Human Resources • Staffing the utility • Training and development • Performance management • Employee relations • Disciplinary action • Policies and procedures • Succession planning and professional development
Engineering Considerations • Planning • Design • Construction • Standards • Managing contracts • Training	Security and Emergency Planning • General security issues • Vulnerability assessments • Emergency response plans

- actions—the specific steps taken or processes that contribute to successful achievement of goals and objectives
- effectiveness—doing the right thing at the right time
- efficiency—running utility operations in the most cost-efficient, highest-producing manner

Water utility managers and leaders are challenged to learn how to effectively overcome organizational resistance to change. It is no secret that all human beings are limited in their ability to change, with some more limited than others. Successful managers embrace change and create a climate in which change is recognized—and perhaps welcomed—as a normal way of conducting business. By studying this manual, water utility managers learn how to cope with, and encourage, change within their utility.

This manual is different, compared to other management books, because it was developed through a collaborative effort of managers and leaders in the utility profession who successfully met the challenges of managing a water utility. They demonstrated through time and peer review the management and leadership ability that made their organizations examples of best utility practices.

Managers of municipal, nonprofit, and investor-owned water systems face competitive challenges. Each type of utility has its own governance system, elected or appointed boards of directors, or political or profit foundations that determine how decisions are made, resources utilized, and policies formulated. However, utility managers and leaders recognize a narrowing gap between nonprofit and for-profit organizations, caused by the entry of global for-profit organizations into the more traditional “nonprofit” arena through operating contracts, limited outsourcing, and outright acquisition. A well-informed utility manager is more able to effectively lead his or her utility to new achievements in a fast-paced, highly regulated, and technologically complex business environment.

Being a manager and a leader is a challenging opportunity. Being a manager implies the use of a process—including planning, organizing, directing, and controlling—and communicating that process and its components to utility staff. Being a leader requires a commitment to an organizational culture that encourages respect and motivates all employees to adopt common goals and objectives and to adapt personal interests to the improvement of the organization and its customers.



Figure 1-1 Management is a challenging opportunity

Managers have several roles within their organizations. The roles include

- interpersonal roles, such as leadership, liaison, and figurehead
- informational roles, such as monitor, disseminator, and spokesperson
- decision-maker roles, such as troubleshooter, entrepreneur, resource allocator, and negotiator

Just as managers have several roles within their organizations, managers also share several common responsibilities. These include

- staff development
- organization effectiveness
- organization relationships
- organization morale
- interpersonal relationships
- personal productivity
- self-development
- proactive thinking
- creativity
- assistance to higher-level and subordinate managers

Managers are expected to develop and implement policies and procedures adopted by the organization's governance structure and to review and approve organizational policies and procedures developed to ensure consistency in operations, maintenance, administration, finance, etc. Managers often have an opportunity to provide input into those policies and should always provide feedback concerning policy implementation, especially if implementation leads to problems or inconsistencies with good management practices.

One of a leader's greatest challenges is time management. There is never enough time to accomplish all that needs to be done. There must be time for thinking, for evaluating, for listening to others, and for communicating. Managers must learn the fine art of delegating—providing employees with the authority and the responsibility for action and holding them accountable for results. Effective delegation is a difficult task that managers must master, but mastering it gives better control of their time.

Effective managers also develop ways to organize their efforts so as to limit the amount of stress incurred. Balancing the demands of utility management with the growing importance of nonwork commitments is a challenge for the best manager. Physical well-being, adequate exercise, having a variety of interests, and proper diet all contribute positively to the ability to juggle the tasks and responsibilities that accompany utility management.

In addition, water utility managers must anticipate the changes that will occur during their managerial career and identify emerging issues that will impact the resources available. Effective utility managers should consider these questions:

1. What is the appropriate response to the increased level of competition faced by the utility and the demand for higher productivity within the organization?
2. What is the best way to manage increasingly rapid change?
3. What are the impacts of global events on operational decisions?
4. How does a diverse population in the utility's service area impact service delivery and employment issues?
5. How does economic volatility affect rates, fees, payments, collections, and the ability to deliver services?
6. How do demographic shifts affect service delivery, infrastructure construction and replacement, budget, and capital planning?
7. What is the best way to expand the knowledge, skills, and abilities of utility staff, especially if funding for investment in human capital shrinks?
8. How can the supply of quality applicants and employees in the workforce be improved?
9. How do increasing interest in quality-of-work issues, increased emphasis on health and wellness, and the changing nature of family relationships and families affect the work environment?
10. What is the best way to effectively address the increased attention to the role of business and government in society, including ethics, responsibility, and fiscal conservatism?
11. What is the appropriate way to deal with the challenges of an aging population, including work assignments, technological training, benefits costs, and a much older retirement age than the historical age of 65?
12. What is the best way to manage small, self-contained work groups and a decentralization of work in an era when staff may have flexible, nontraditional working hours?

An individual manager's knowledge, skills, abilities, vision, intuition, and other attributes govern how the manager performs. This manual offers ideas about successful management. The steps each individual takes to try something new, to implement best practices, and to grow personally and as a utility manager determine success. The objective is to make a difference as a water utility manager and professional.

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Chapter 2

Managing the Utility

OVERVIEW

Utility managers must know and administer many diverse elements in their daily activities. That process begins with a vision of what managers expect their utility to be. They must fully understand the legal and regulatory framework under which they operate, as well as the utility's mission, and they must adapt to rapidly changing legal, regulatory, and customer demands. With the general trend being toward constrained resources and increased expectations, managers must continually analyze costs; reallocate available funds, staff, and equipment; and, maintain a highly motivated and productive staff. The need for improved interpersonal, organizational, and external communications has never been greater. And, the demands of stakeholders for accountability in the acquisition and use of resources requires greater attention to documentation of work processes and control of costs and program expenditures.

Powerful trends are shaping the water profession and will continue to impact what has been, for the most part, a traditional business model with few entrepreneurial characteristics and low tolerance for risk. These trends include

- widespread competition
- increasing regulations
- scientific uncertainty
- political intervention
- increasing public expectations

In many respects, management is a process that promotes continuous improvement of a utility's business practices. The management process should be thought of as an umbrella that is used to both shield managers from the elements and allow them to identify and maneuver through their work environment. Example of elements include

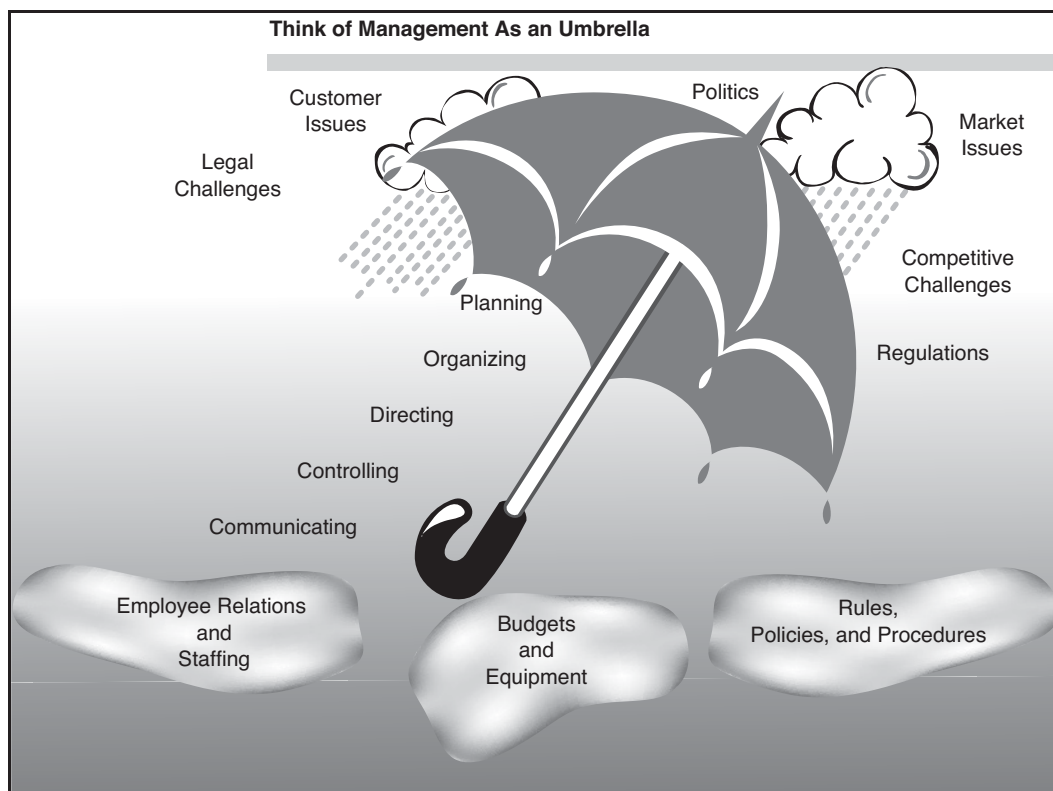


Figure 2-1 The management process can shield managers and provide more freedom

- many externalities that are addressed on a daily basis—legal challenges, customer expectations and issues, politics, regulations, competitive challenges, and economic challenges in a market economy
- work environment includes the internal constraints all managers face—staffing issues, employee relations, budgets, equipment needs and uses, rules, and policies and procedures
- culture and communications include the style of the organization and the embedded values that direct all of its functions and activities
- management process includes the planning, organizing, directing, and controlling processes essential to efficient utility operations

A utility manager must communicate the utility's vision and mission to both external stakeholders and employees; it may be the primary duty. It is through this communication linkage that support is built for utility programs and projects. The manager must know and be able to translate long-term utility planning processes into terms that external stakeholders understand and can support. Managers must also listen to and act responsibly on stakeholders' concerns that impact the planning process. Managers must marshal and allocate resources to those priorities that address both utility and stakeholder needs. And, they must delegate authority and hold subordinates accountable for the majority of day-to-day operating decisions, coordination of efforts, and successful achievements of the utility's strategic objectives.

THE MANAGEMENT PROCESS

Planning

A hallmark of a successful utility is its incorporation of planning for its future rather than reacting to events as they happen. Every activity a manager engages in merits the time it takes to plan the activity, anticipate responses from others, and integrate new information into the activity. There are several types of planning that should be considered, including operational, administrative, project, financial, organizational, communications, and emergency:

- operational planning includes reactive and preventive maintenance requirements, as well as equipment and vehicle maintenance. it also includes acquisition and allocation of resources.
- administrative planning includes staffing, information acquisition and analysis, materials management, and performance management.
- project planning must consider scheduling, contracting, public involvement and outreach, and oversight/program management.
- financial planning must consider revenues, expenses, reserve requirements, access to capital, and surplus and deficit issues.
- organizational planning considers functional alignments, staffing and succession issues, business processes, and competitive issues.
- communications planning includes internal and external communications strategies, messages, programs, community outreach efforts, and media relations.
- emergency planning includes vulnerability to system disruptions (whether through natural or human occurrences), health and safety issues, and consideration of the impact of emergencies in other parts of the community on the utility's ability to meet its mission.

Specific references to planning processes in each of the above areas appear elsewhere in this manual. In addition, AWWA offers a series of manuals relating to more than 50 aspects of water utilities that address the topics in greater detail. Information can be obtained through the Association's customer service center.

An effective planning tool is the development of a task list associated with the proposed program or project. Such a task list, prepared with broad input from all parts of the utility and those external stakeholders who are directly or indirectly involved, achieves several objectives. First, it employs a brainstorming process that enables all stakeholders to identify their areas of interest—location of project, community concerns, environmental issues, financial concerns, scheduling, etc. Second, it gives all parties an opportunity to look at and set priorities for the project, resulting in a well-defined strategy before the project begins. Third, this level of planning can effectively reduce the costs associated with the project, including administrative review, change orders, meeting requirements, public response, and acquisition of materials/supplies/equipment on a *just-in-time* basis.

Some Important Planning Reminders

- **The governance body** sets overall goals and objectives, works with staff to set action plans, completes financial planning, and approves capital planning.
- **Make time for planning.** It does not just happen.
- **Encourage participation.** Those who are affected by goals, objectives, and action plans should participate in their creation.

Effective planning benefits utility managers in many ways. It makes budget justification easier and helps set priorities for programs and task activities. It motivates both staff and governing bodies by establishing a vision of the future. It encourages clear coordination and accountability for actions and helps avoid mistakes, oversights, and vague responsibilities. It assures sufficient lead time for projects and programs and defines clear measures for success. Moreover, it leads to steady growth and rational implementation of changes by encouraging annual reevaluation of the utility's vision, mission, goals, and objectives.

Organizing

Organizing is that part of the management process that uses information generated during the planning process to make decisions about obtaining and allocating resources, structuring work processes, and managing project or program components. It involves knowledge of staff capacity (especially multiskill capabilities), and of easily accessed internal and external resources available for the duration of the project or program. It also requires the manager to presume that planning information is incomplete and that components of the planning process are subject to reconfirmation to ensure that decisions have the highest level of confidence of success.

The specific nature of the project or program determines whether traditional work processes are appropriate or whether modifications are necessary. Areas for consideration include work team composition, equipment allocation, safety and security provisions, information availability, and access to specific resources either within or external to the utility. It also dictates the management strategies for each project or program component.

Directing

Directing is the part of the management process in which the manager delegates responsibility and authority for the project or program, defines the accountability (expectations) of the functional unit, and supervises, in one or more ways, the achievement of the assignment.

Delegation is a term familiar to most managers, but delegation is frequently not as effective as desired. Delegation may fail if a manager lacks confidence in subordinates or coworkers or if a project or program is delegated to an individual who lacks experience or expertise in the area. Staff development addresses this issue by allowing individuals to develop skills and gain the confidence of superiors. Time constraints also impact delegation, especially if a project or program needs immediate attention with little or no time for review. Also negatively affecting the success of delegation is inadequate delegation—giving a subordinate or coworker responsibility for a program or project but not the authority to make decisions about resources and tasks.

Supervising is the part of the manager's responsibility that recognizes the work process must be completed by others. It includes providing direction and guidance concerning the project or program, teaching and demonstrating portions that are unfamiliar to the work team, and monitoring the effort—from inception through completion—to ensure that it is completed according to plan and within budget and time requirements.

Controlling

Controlling is the part of the management process in which managers make use of project or program status information during and after the project to identify ways in which

- human and material resources can be more effectively used
- costs can be controlled
- time schedules can be more realistic
- information gained can be analyzed and incorporated into planning future projects or programs
- ongoing assessment of information can improve business processes and resource allocation

GOVERNANCE AND GOVERNING-BOARD RELATIONSHIPS

A utility's governance is contained in the legal framework under which it operates. It may be

- a municipal water utility, constituted as a department of a city, county, or provincial government
- a municipal water utility chartered independently of municipal rule
- a public water system chartered as a special-purpose district
- a rural water system
- an investor-owned water system
- another, authorized organizational structure

In all instances, a governing body is constituted either by appointment or by election and is responsible for establishing the vision and mission of the utility; supervising finances to ensure self-sufficiency and sustainable development; appointing, directing, and evaluating the utility's management; establishing and approving general policies; authorizing annual budgets, major expenditures, contracts, and issuance of debt; and approving the utility's master plan and related capital plans.

The utility is directed by a chief executive officer or general manager who reports to the governing body and carries out its decisions. This senior executive officer is accountable to the governing body for the ongoing administrative, financial, technical, and operating activities of the utility and may be directly involved in managing some of those functions, depending on the size of the utility and extent of its staff.



Figure 2-2 The single most important job requirement for a utility manager may be the management of his or her governing body

Utility policy makers—whether they are appointed or elected boards of directors or elected public officials (councils, commissions, etc.)—have nine principal responsibilities. Utility managers need to fully understand those responsibilities in order to assist their governing bodies with necessary information and staff support for decision making. The following describes these responsibilities:

1. **They ensure that the utility achieves its stated purpose and objectives.** They provide community or owner input into and approval of the overall vision of the utility and its critical missions and approve annual action objectives, capital and financial plans, and special programs.
2. **They establish policies and procedures that govern the utility's operations.** Policies and procedures should govern customer services, financial and administrative matters, personnel rules and regulations, adopted standards for professional services and system development, regulatory compliance, ethics and conflict of interest, and a broad range of utility-specific matters. In conjunction with this, they
 - provide management with a scope of authority and standards of responsibility and performance accountability. this includes a requirement that management report back to the governing body before taking action that exceeds that authority
 - establish committees to carry on the governing body's function of policy development and define rules as to how those committees work among themselves and with staff
 - require that written policy documents be approved as part of the governing process, with approval conveyed through meeting minutes and policy documents entered into the utility's official records
3. **They raise and manage the utility's funds.** This includes reviewing and developing the utility budget, master plan, and capital improvement programs and approving the final documents. It also includes evaluating the needs for increases in water and sewer rates and charges, evaluating the need for special fees, issuing debt for capital projects, and providing oversight of control systems that manage corporate funds. Finally, they authorize the annual audit of the utility according to generally accepted

accounting practices, receive and approve the audit and accompanying management letter, and assign and direct any business corrections recommended by the auditor.

4. **They employ the utility's senior executive; set personnel policies, wages, and benefits; and may act in the final appeals step in adverse personnel actions.** They ensure that position descriptions are complete and reflect current requirements, ensure compliance with all fair-employment laws and regulations, approve and adopt personnel policies, and adopt compensation and benefit plans that are fiscally responsible and attractive to both current employees and potential applicants for employment. They hold managers accountable for hiring those staff members who directly report to them and for all human resource processes throughout the organization.
5. **They supervise and evaluate the performance of the utility manager.** They regularly review performance expectations, including, but not limited to, operational reports, financial reports, productivity measures, customer complaints and utility responses, capital program progress, etc.
6. **They appoint committees of the board.** Committees run the range of governing-body involvement with the utility, but usually include long-range planning, finance, personnel, legislative, policy, and community relations. Governance of the committee and regular reporting formats may be established by the governing body.
7. **They hold property for the benefit of the utility, as appropriate to state or provincial law.** Applicability, and the items covered, are unique to each governing body, but must be clearly spelled out in governing documents.
8. **They develop successors for governing positions and ensure leadership on behalf of the utility.** They insist on a broad knowledge of utility operations and issues and on direct, open, and honest communications.
9. **They employ consultants and specialists who report to the governing body.** These normally include the independent auditor (either internal to the organization or external for financial audits), general and special counsel, and legislative liaisons. They may also include a consumer advocate, a mediation specialist, security specialists, and others.

Utility managers should provide new governing body members with a comprehensive orientation to the business practices, physical locations, and culture of the organization as early as possible in their tenure. Continuing communication and work with governing committees enables the utility to maintain its message to, and credibility with, its governing agency. Indeed, the most important job requirement for a utility manager may be the management of his or her governing body. At the same time, the manager and all staff members must be aware of and compliant with state or provincial laws regulating political activity so that there are no opportunities for inappropriate or illegal involvement with governing body members.

Key Strategies for Governing-Body Effectiveness

1. Have an informed governing body; start new members off right.
 - inform each member about the current vision, mission, goals, and objectives.
 - provide each member with bylaws or governing documents, a written description of the utility, and a current organization chart.
 - provide special or key reports from the prior year, the most recent annual report and annual audit, and financial reports (budgets and actual expenditures) for the past year.
 - list committee charges and assignments, and provide minutes of meetings held by committees or the governing body for the prior six months.
 - provide a roster of board members and key staff.
2. Train the governing body.
 - provide site visits with briefings from senior staff on programs and services and introduction to staff.
 - provide an overview of administration, organization structure, governing body and staff roles and responsibilities, and a copy of the utility's adopted governing body manual, including policies and procedures.
 - review financial issues, including budget, investments, property, rates and charges, and financial policies.
 - provide committee orientation, including appropriate documents.
3. Stress the importance of reaching consensus and acting for the greater good of the utility and the community.
 - encourage participation in discussion of all assumptions and issues.
 - obtain all data relating to issues and consider all alternatives before making decisions.
 - determine the extent to which public involvement is part of the decision process and have a clear method of managing that involvement so decisions are made.
4. Set and practice ethical standards, and demand ethical behavior by all utility staff in daily business operations.
 - know and abide by conflict-of-interest laws.
 - establish and abide by an ethics policy.
5. Maintain records of governing body actions and documents.
 - establish and post agendas for meetings.
 - maintain minutes of meetings (electronic and formal documents).
 - conform motions to agenda wording.
 - maintain official records, files, actions, contracts, and legal documents and retain documents according to state or provincial law.

STEWARDSHIP AND ETHICS

Utility governing bodies, managers, and employees are in the public eye, regardless of whether the utility is investor-owned or a public entity. They are responsible for effective stewardship of the resources to accomplish their required mission and objectives. This includes staff, financial resources, procurement, equipment and vehicles, materials, and other things of value. Responsible stewardship includes but is not limited to

- clear personnel policies concerning work requirements, hours, duty stations, fair employment standards, and disciplinary practices
- clear financial policies concerning purchase of items from a master purchase order, petty cash, per diem, and expense reimbursement
- procurement policies that provide for transparency in competitive bidding, established protocols for obtaining professional services, and compliance with state or provincial procurement laws
- clear policies concerning the use of vehicles and equipment, both during work and nonwork hours. other requirements include compliance with tax requirements for employer-provided vehicles, maintenance of records for gasoline usage, use of utility computers and telephone equipment, and provisions for adverse actions when theft of utility property or service is found
- procedures by which employees may acquire surplus equipment, vehicles, materials, or supplies no longer needed or used by the utility (cars, trucks, computers, pipe, hand tools, etc.)

In the wake of media attention to corporate and public malfeasance, there is an escalating challenge for utility managers and governing bodies to take strong action concerning ethics and conflicts of interest. Many communities, often at the behest of citizen panels, have enacted strong ethics ordinances to enforce ethical behavior and disclosure of conflicts of interest that might compromise decisions made by staff or by a governing body. Most states and provinces have conflict-of-interest or ethics statutes that cover the public policy process for themselves and, by extension, municipalities and other publicly chartered agencies. Investor-owned utilities also maintain ethics and conflict-of-interest policies and procedures.

Such policies generally require employees and policy makers to, during working and nonworking hours, act in a manner that inspires public trust in their integrity, impartiality, and devotion to the interests of the utility and its ratepayers. Policies generally specify that there is no offering, acceptance, or solicitation of any money, property, service, or other item of value by way of gift, favor, inducement, or loan offered or received with the intent that there is any influence by such conduct in connection with an employee's or official's discharge of public duties. Finally, policies generally require that each employee or official disclose such conflicts that tend to or could result in the erosion or destruction of public confidence in the operations of the utility. General prohibitions under such policies include

- engaging in any business or professional activity that would impair their independent judgment or discharge of official duties

- holding a direct or indirect financial interest in any business entity, business transaction, or business endeavor that creates or appears to create a conflict of interest
- disclosing any transaction or business activity that is or appears to be a conflict of interest
- ensuring documentation of disclosures
- disclosing confidential information concerning property, operations, policies, or personnel activities of the utility
- disclosing any personnel actions, unless discussed in open meetings or otherwise officially disseminated
- using official positions or facilities to secure special advantages
- receiving any gift of money or item of value from an organization that is regulated by, contracts with, or anticipates contracting with the utility. in most cases, provision is made for a particular financial value under which gifts may be accepted
- transporting unauthorized persons in utility vehicles unless properly authorized to do so

Employees whose work provides them with access to confidential information about personnel, proprietary practices, or utility activities must be aware that they are not to disclose such information without the written authorization of senior management or legal counsel.

ORGANIZATION STRUCTURE AND CHANGE MANAGEMENT

Water utility organizations experience the same types of competitive pressures that characterize the private sector business model. Most utility organization structures are built as a vertical entity with multiple levels of relatively small spans of supervision. As a business practice, many organizations—utility and nonutility—are transforming themselves into horizontal organizations with broader spans of control and fewer levels of supervision. This transformation brings decision making to lower levels of the utility and supports mandates to contain costs and maintain services. While the water industry may not see the type of deregulation that has characterized other utility industries, it is—and will continue to be—in the midst of a radical change in the business environment. Cost containment, outsourcing, expanded automation and information management, increased politicization of utility planning, changing customer expectations, and changing customer attitudes confront utility managers at every corner.

Traditional issues and pressures are still there. Regulatory requirements are expanding, infrastructure is deteriorating, capital requirements are increasing, ratepayer demands for improved quality and reduced costs are increasing, customer service and billing standards are being driven up by the level of service provided by other industries, and institutional distrust issues continue to spill over into utility operations.

Compounding those pressures are the multitude of organizational and managerial problems, such as organizational inefficiencies, employee low trust of management, communication breakdowns, organizational silos, low personal accountability, ineffi-



cient work process, excessive policies/procedures/rules, and internal disruption. To maintain effectiveness, utility managers must understand the organization itself and exercise a new level of leadership skill.

Knowing the Organization and Its Mission

Effective managers must know their organization in order to make appropriate and essential decisions. A critical skill is the ability to identify and focus on core organization issues rather than on perceived symptoms of issues confronting the organization. Managers must know the utility's mission or must lead the utility organization in developing a vision of what it wants to be and in defining its mission. The strategic decisions and actions that follow add value to the utility's efforts in serving its customers.

A utility's vision, mission, and strategic objectives must be clearly understood throughout the organization, and successful managers must continually communicate the utility's business message to both employees and customers.

Strategic/Tactical Planning, Implementation, and Management

Business and organizational theorists have engaged in widespread research about organization behavior. As business globalization continues and as competitiveness requirements expand, organization research will continue. Strategic and tactical planning focuses on four areas:

- operational excellence—the utility delivers reliable and dependable products and services at competitive prices with minimal disruption or inconvenience
- customer-centered—the utility's focus is on the customer, and the utility maintains a thorough knowledge of its customers, customer groups, and the services they need
- product/service leadership—the utility leadership “thinks outside the box” to offer products and services that expand its current boundaries
- enrichment strategies—the utility helps customers and employees fulfill their potential and reach higher levels of development

Confusion and organizational mistrust are the minimal outcomes if management initiatives are not clearly linked to utility strategies. It becomes more likely that the utility will veer off course in its efforts to accomplish its mission. Once employees are clear about the mission or strategy, managers can look more intensively at core organization culture and leadership practices.

The Utility's Organizational Culture

Every organization has its own culture—the way it behaves and the way it has always done things. That culture drives how business processes are implemented and how success is achieved and measured. Successful managers understand that for ideas and processes to work they must fit in with the culture and values of the organization. Culture describes the way of life for the organization by

- providing consistency, order, and structure
- establishing an internal way of life
- determining the conditions for internal effectiveness

Culture is also a major contributor in setting expectations and priorities, determining the nature and use of power, determining whether or not teamwork is important and expected, and providing the framework for addressing, managing, and resolving conflicts. In essence, culture determines how a utility plans its work, organizes and coordinates activity, builds teams, manages and assesses performance, and gets the results deemed important.

While each organization may exhibit different cultural characteristics, these characteristics generally fall into four categories: collaboration, control, competence, and cultivation. An organization may share traits of some or all of these, but one of the four is usually dominant.

- *Collaboration cultures* value synergy, are dedicated to customer satisfaction, and exhibit teamwork, close coordination, and cooperation. Collaboration culture managers tend to exhibit participatory styles and expect significant involvement from all organizational levels.
- *Control cultures* value certainty and control of the factors of success in goal achievement, including, but not limited to, predictability, safety, accuracy, and dependability. Control culture managers are often directive in their leadership style.
- *Competence cultures* value distinction and conceptual goals and seek to offer unparalleled and unmatched products or services. Competence culture managers are often visionaries, take long-range views, develop appropriate strategies, and try to anticipate any contingency.
- *Cultivation cultures* value enrichment and seek to ensure the highest level of customer satisfaction and support while connecting the utility's values and ideals with operational actions. Cultivation culture managers have great faith and optimism in the integrity and untapped talents of their people and often have charismatic personalities.

The cornerstone of organizational effectiveness is customer value. It is essential that everyone in the organization—not just the leadership team—clearly communicates how the utility provides significant added value to its customers. Until this element becomes ingrained in the organization's culture, other change activities are compromised. Thus, managers must ask themselves three basic questions:

- Is the organization clear about its core strategy?
- Is that core strategy truly functioning as a guiding principle for the organization?
- What role do other support strategies play in supporting the core strategy?

Managers must place a high priority on understanding and confirming organization culture before they consider or attempt any organizational change program. It is not just another variable—it is a fundamental principle. Management ideas succeed or fail in large part based on how well managers recognize and honor the power of organizational culture. Successful managers manage in a way that complements the organization's core culture.

BUILDING UTILITY LEADERSHIP

Utility managers are expected and required to be good leaders who establish a climate that unites the organization's employees in a commitment to making it successful. Thus, leadership becomes an essential element in progressive approaches to managing and leading utility organizations and is a primary skill. Leaders come in all shapes and sizes, are found in all parts of the organization, and use a variety of styles, communication strategies, and knowledge/skill/ability sets to authenticate their leadership position. Most of all, they project a demeanor that results in recognition by others that they are worthy of being a leader, with all the respect and collegiality that accompanies the title.

Utility leadership is the capacity or ability of a person or persons to envision the future needs, structures, and behavior of the organization and its stakeholders and to influence the actions of others to achieve that vision and its attendant mission and goals. Traditionally, utility leaders have focused on the systems and institutions that have done things well for stakeholders. That focus includes administration, initiation of measured changes, and long-term vision of and related planning for technical aspects of utilities, but relatively short-term vision as to institutional and stakeholder expectations. In this model, leaders have asked *how* and *when*.

The emerging utility leader is an innovator with a planning horizon that begins with a long-term definition of *What do we want to be?* and progresses to develop and empower people who achieve that objective. In this model, leaders ask *what* and *why* and frequently challenge the status quo. They create and espouse confidence in the ability of the organization and its resources to achieve the vision, but continually refine or redefine that vision to meet changing conditions. Leaders create the work climate that draws all utility personnel into committing to the organization's success. They encourage innovation, decision making, problem solving, and initiative throughout the utility rather than isolating it at the top of the organization chart. In short, leadership is an essential element for progressive approaches to managing utilities.

Managers realize that there are numerous forces and values—personal and organizational—that affect their willingness to lead. Everyone, everything, and every situation reflects changing environments, relationships, and expectations. Leaders adjust to those changes and use them creatively to mold a cohesive utility where all resources are best utilized to achieve the shared vision and mission. There are three areas of major importance:

- **The level of confidence a manager has in subordinates.** Leaders must have a high degree of confidence in the capabilities of subordinates in the organization to accept the responsibility and accountability that accompanies the authority to accomplish objectives. This requires a commitment to develop subordinate skills through training, assignment of projects, mentoring, and coaching. It also requires that the manager understands that occasional substandard performance, and possibly failure, may occur as part of the development process. Managers should anticipate appropriate corrective actions.
- **The manager's level of confidence.** Whether it is a new situation, a new process, or new people, a manager knows his or her skills and limitations and takes maximum advantage of each to increase his or her own capabilities. Self-confidence shown by a manager does not present itself as arrogance or bluster but as a presence that is easily recognized and acknowledged by peers, subordinates, and the greater audience.

- **The manager's sense of security in uncertain situations.** Each manager is much more comfortable when in control of a particular situation. The manager has sufficient confidence in him- or herself and subordinates and sufficient knowledge of circumstances and potential events to, at the very least, project a high comfort level in response to uncertainty. Smart managers are good listeners and synthesize information coming from multiple sources. Also, good managers are ready and willing to delay decisions in order to assess information and incorporate it with utility strategies, if that is the most appropriate tactic in an uncertain situation. Finally, good managers establish a reputation for honesty and integrity so that their voice and actions receive attention and respect in the uncertain situation.

Leadership must support the organization's core strategy. The core strategy for most water utilities is operational excellence. Utilities are, by their nature, highly regulated organizations that add value by providing their customers with consistent, dependable, reliable, and cost-effective services. External forces (regulations, customers, resource availability, community mandates, etc.) create the circumstances in which a utility establishes its core strategy, so the organization's culture must be in control of success factors and must focus on obtaining the organization's goals. As with culture, leadership balance is important.

REGIONALIZATION

As resources become scarce and urban expansion occurs, utilities are exploring opportunities to enter into regional partnerships. In some instances, this involves establishing a new agency that involves interested parties to govern, share costs, and benefit from a region-wide project. Regionalization requires commitment from utility partners and related agencies to address resource acquisition, construction, cost, and customer issues on a fair and equitable basis. Several successful examples of regional systems are found in widespread areas. Those that are successful have several common characteristics:

- **They have equitable decision-making processes.** This usually means that all participants have an equal vote in the decisions that affect all parties.
- **They have equitable financial obligations.** During startup processes, this may be an assessment based on a mutually agreed on formula, such as the number of customer accounts or the projected equity in capital projects. As projects come on line, the financial obligations may be based on capital equity or cost of water delivered to the entity.
- **They provide for resolution of disputes.** This recognizes that circumstances and the needs of individual entities within the regional system may change and that there must be a reasonable way to resolve differences without escalating costs or causing the regional group to disintegrate.
- **They provide for the addition of new members.** Successful regional systems recognize that their membership may grow and that new members will want a voice in decisions, as well as access to products and services. They identify an opportunity cost for those additional members and update that cost based on established factors, such as inflation, cost of raw water, construction or expansion requirements, etc.

Leaders of dynamic utility organizations must anticipate change and manage that change with flexibility in policies, procedures, and programs. A key point to remember is that other utility managers have faced similar challenges and opportunities. Excellent leaders have access to a wide network of water utility colleagues who share experience and, often, resources.

In the current utility business environment, managers must be closely attuned to external and internal issues. Governance, ethics, organization behavior, leadership, and vision are equally important to the general public and to utility employees. As resource requirements multiply, managers must exercise collegial behavior in addressing regional needs. All of these elements are found at a time when people live and work longer, values and cultures are transferred more easily, and public scrutiny is more prevalent.

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Chapter 3

Effective Public Communications

OVERVIEW

Communication is a fragile process, dependent on perceptions, experiences, choices of words, listening skills, and a host of other, often intangible, descriptors. Yet it is the primary strategic tool utility managers must employ in planning, organizing, directing, and controlling the work associated with the organization's mission. And, it is the primary tool used in gaining public support, dealing with stakeholder issues, addressing legislative and regulatory matters, and responding to media and citizen inquiries. Each manager communicates about 70 percent of his or her workday—face-to-face, in writing, on the telephone, listening to others, and reading—in addition to developing and reinforcing his or her own communication skills. Communications is an ongoing process. This chapter addresses the following topics:

- who are the utility's *publics*?
- routine communications
- internal communications
- external communications
- public involvement
- community relations
- effective media relations

WHO ARE THE UTILITY'S PUBLICS?

Utility managers tend to think of the public as a broad spectrum of customers, community groups, regulatory agencies, and policy makers. Managers often forget that one of their most critical and potentially dynamic *publics* are the men and

women who work for their utility—the customer service representatives, maintenance crews, meter readers, and others who interact on a daily basis with the external public.

It is imperative that strategic communications planning involves both internal and external publics and that communications are an integral part of all managerial processes, decisions, and actions. Managers must address the information needs of both employees and external audiences. The questions are the same: Who is doing what? Who is responsible? What is planned? What is under way? What is the impact on my job, my neighborhood, or my pocketbook? What does the utility intend to become? Where are projects planned? Where will my job lead me? When will changes occur? When will they affect me? When will promised projects begin? Why are initiatives undertaken? Why do we need additional funds? Why are we implementing new programs? How will new programs be implemented? How will that affect my working conditions? How will that affect my lifestyle or my neighborhood?

The questions and the need to know are legitimate. The need to credibly communicate the utility's message is too often left to chance, but inadequate or inaccurate communications can damage the utility's reputation. A credibility gap appears when there is a disparity between the facts of a situation and what is said or done. Once credibility is lost, it is difficult for further messages to be relied on or accepted as fact. The fragility of the communications process accompanies every manager on a continuing basis—thus, the need to focus on improving skills.

ROUTINE COMMUNICATIONS

Every day, your utility and all its managers and employees engage in communications. Employees answer customer questions; prepare letters, memoranda, and press releases; and participate in meetings to make decisions or learn about new products. The objective is to have common understanding of the topic and to keep the organization's credibility intact when communications are complete. Common threads are courtesy to and respect for all parties throughout the process.

Communications theorists generally agree on several points:

- In general, communications are more spontaneous than planned. Planned communications have better chances of success.
- Most communications are filtered through the perceptions that the audience holds about the speaker or the institution he or she represents.
- Most communicators are inadequate listeners.

A good rule in routine communication, whether it is internal or external, written or oral, is to use the PARTS (purpose, audience, results, technique, and style) process as a planning tool. PARTS is a tool that will improve communications, whether the manager is making a presentation to a board or city council, speaking at an employee meeting, or conducting an individual performance review.

Purpose. All types of communications have a purpose. Whether that purpose is to obtain support for a program or to improve the performance of an employee, there is a reason for the communication. In planning for an information exchange, the manager must clearly understand both sides—why he or she is communicating and why the other group or party is listening and responding.

Audience. It is not enough to know that the audience is from the local chamber of commerce, neighborhood association, or is a problem employee. Learning about an audience can reveal business concerns, lifestyle concerns, and work

patterns. It can also lead to solid inferences that better focus communications. Managers must be students of current events. What happens in another city, state, or country is part of the news your audience regularly receives, and it has an impact on their information needs from your utility.

Results. Managers should not engage in communications without having an idea of the results they are seeking. Whether it is support for a rate increase, community involvement in a new project location, or improvement in work performance or behaviors, managers want and need something. So does the audience. Good communications planning requires that the manager define his or her desired results and at least anticipate what his or her audience expects.

Technique. Each communication process requires a different technique. It may be written or oral. It may involve graphics or handouts. It may be formal or informal. The technique selected must match the communications engagement, and the audience must perceive the manager as being fully comfortable using that technique.

Style. Style is where the manager exercises his or her personal power to convey the message to the audience. Style is a critical part of the communications process. Ineffective speakers stand behind a lectern and read a speech with few, if any, efforts to make eye contact with the audience. Effective speakers seldom refer to prepared notes and engage the audience in their message. Each example represents a speaker's style and reflects, to a great degree, his or her comfort level with the topic and reason for speaking.

INTERNAL COMMUNICATIONS

A utility's employees are potentially its best ambassadors, if they are considered high-value assets and if they have the right information at the right time. Utility managers are the primary sources of information, but often managers do not take full advantage of the opportunity to provide information and develop the employees as ambassadors. Internal communications must stress the vision and mission of the utility to all managers and employees and must keep those messages highly visible so they form the basis of all other communications. Internal communications must include both written and face-to-face messages. Above all, internal communications must be a continuous process that is open and honest.

The foundation of an effective internal communications effort is managerial commitment to its success. Many utilities have structured communications efforts that include but are not limited to

- regular briefings of all managers regarding the utility's programs and issues
- regular employee newsletters
- functional staff meetings
- all-staff retreats and work sessions

The Seattle Public Utilities Communications Office developed a comprehensive communications program based on the belief that establishing clear, effective communication with the public, the news media, and the utility's employees is a vital strategic priority. Its internal communications efforts are based on the following principles:

- ensuring that employees understand and support the utility's objectives and that they are motivated and aligned with its goals

- making communications a tool used to achieve a competitive edge
- tailoring messages to empower employees to make better decisions
- building on the interest and direct relationship that all employees have in the utility's success
- managing and disseminating information in ways that enhance the intellectual capital of the utility and its employees
- expecting employees to positively represent the organization by equipping them with knowledge so they respond to inquiries with factual information
- providing consistent, uniform information that mitigates rumors and misinformation
- getting the right information to the right people at the right time

EXTERNAL COMMUNICATIONS

External communications include regular contact with elected officials, community leaders, key customers, neighborhood groups, the media, and civic associations. It also includes ongoing communications with regulatory, governance, and financial agencies. Written communications, such as press releases, quarterly or annual reports, newsletters, or other information that appears on bills, are the most frequently used. Television and radio news organizations often report on community-wide topics, such as rate increases and major construction projects, or service disruptions, such as major main breaks. It is important that communications efforts be considered strategic efforts and part of an overall plan to advance the utility's mission within its community.

Many utilities take advantage of relatively inexpensive ways to get their messages to their various external audiences. Videotape programs on subjects such as water quality, water resources, utility expansion, environmental quality, and conservation, are often produced by utility staff, local cable television systems, or public relations consultants. Such programs can be checked out to employees, offering them a way to take the utility's story to various audiences, like clubs, school groups, and neighborhood associations, and become ambassadors for the organization. There are often public service requirements that radio and television stations must meet or that are part of a cable system's franchise documents.

In addition, expanding technology and utility Web sites offer customers an opportunity to monitor governance meetings, obtain news about utility activities and programs, learn about service policies and rebates, ask questions, review consumer confidence reports, and view some of the utility's work activities or programs as outlined above. Web sites can be interactive and allow for bill payment, service requests, information inquiries, etc. Utilities are cautioned that Web sites require an ongoing commitment to update materials—they cannot be left unattended—and ongoing attention to security requirements.

A continuing question is whether communications efforts should be outsourced or staffed internally. Because communications are part of the utility's strategic direction, it is logical that an individual on the utility's staff is designated as the communications officer. This person must be known to external agencies as the source for information and must have sufficient time and credibility to represent the utility when called on. In many organizations, customer service and external public relations are combined, while in others, external public relations are the purview of the general manager. Given the critical nature of a consistent and professional communications

effort, many utility managers recognize the value of having a dedicated staff member responsible for setting and implementing strategic communications. Some utilities choose to contract with external resources for public relations services on an as-needed basis or for specific projects or critical issues.

All utilities must prepare and distribute a Consumer Confidence Report to their customers, and many utilities prepare an annual report of their activities and challenges. These types of publications can provide consumers with vital information that builds the utility's credibility, as well as give the utility managers a way to promote the utility. Such reports do not have to be expensive, but they do require a professional appearance, clear language, and meaningful graphics. Above all, the content of the report must be truthful.

The underlying principles that govern external communications efforts include but are not limited to

- establishing clear and effective high-quality communication strategies, programs, and materials that are consistent with the utility's mission, goals, and values
- involving the communications team in all programs, projects, and plans at the beginning, not when the programs, projects, and plans are in trouble. communication advice and strategies cannot be an afterthought
- implementing a timely and efficient review process for all materials intended for broad public and employee distribution to ensure that the materials are consistent in style and that they are courteous and positive in their wording. this includes all editorial items, such as newsletters, news releases, flyers, brochures, speeches, reports, scripts, and displays that represent the utility. it also includes promotional and advertising materials produced by external agencies
- coordinating all requests for media interviews, information, presentations, speeches, etc., through the communications center so organizational objectives are incorporated and quality and consistency are maintained

PUBLIC INVOLVEMENT

Public involvement is a permanent part of water utility management. Managers must seek public involvement and actively listen to the needs, expectations, and concerns of all audiences. Public involvement in utility decisions is essential to building and maintaining credibility and public trust. The utility manager should recognize public involvement as a crucial asset to the organization's ultimate success. It is the utility manager's responsibility to manage the public involvement process.

Some utility managers question whether—or how much—public involvement is necessary. Other utility managers question whether the value gained from public involvement is significant in light of the required time, dollars, resource materials, etc. Utility managers should recognize that their customers want to be involved in and kept abreast of utility plans and projects and that the public desires to make appropriate contributions. Indeed, if there is a discrepancy, it is that the public's desire to participate in utility matters is significantly greater than managerial awareness of the need for involvement. Many utilities successfully embrace a public involvement strategy while others test the water.

Engaging in broad public involvement requires the utility's leadership to answer several questions:

- Do utility managers value external input?
- What experiences have utility managers had when public or stakeholder groups have been involved previously?
- Do utility managers trust in their ability to manage the public process?
- Can the results of the public process lead to an internal or external crisis of confidence?

Too often, the source of information about what the public wants, needs, and is interested in comes from traditional interest groups—business leaders, developers, and government agencies—and does not include other stakeholders, including neighborhood associations, environmental groups, and neighboring communities. These groups form coalitions to make their opinions known. Utility managers are challenged to understand the needs of all stakeholders, respect them, and communicate in a collaborative way to build the broadest possible understanding among all groups.

There are several ways to determine public interests and public concerns. The easiest way is to ask, such as at a meeting where internal and external communications strategies can be presented. Utility employees are arguably closer to a more diverse portion of community than public information experts. Employees are a rich source of information, but managers have to make time to talk with them, engage their assistance, and receive feedback. Other established methods include

- providing avenues for two-way communication, such as citizen advisory groups, semiannual meetings with key customers, regular dialogue with neighborhood groups, listening sessions with stakeholders and employees
- commissioning professional market research and customer surveys, and analyzing the information to determine perceived strengths and weaknesses the utility can correct or opportunities the utility can take advantage of
- establishing relationships with local news reporters and talk show hosts and using those contacts to disseminate information to provide accurate responses when facing adverse conditions
- consulting and sharing information with other utilities in the area through regular meetings and interlocal agreements for assistance
- accessing industry organizations, such as awwa, and networking with members

COMMUNITY RELATIONS

Community relations are an extension of public outreach and a predecessor to public involvement. Utilities have numerous stakeholders or communities they must address and satisfy. Effective community relations begin with a comprehensive understanding of the stakeholder groups and their needs and are accompanied by a plan to manage the information required by each. Generally, stakeholder communications involve meetings, whether in neighborhoods or with special groups. Public involvement and community outreach programs require the commitment of resources and adequate staff to monitor and manage the effort.



Figure 3-1 Successful communication with the public is essential for a water utility's success.

It is important that any type of community outreach effort have a clearly defined purpose and process. Its purpose must be stated and frequently revisited. Managing the process requires open and balanced communications among all parties, including rules of courtesy, shared responsibility, agreement on mutual commitments, patience, and a willingness to stay with the established purpose and goals. A key element in successful outreach is a commitment to factual information and reasonable actions, not speculation and impossible promises. Establishing a follow-up plan to continue dialogue and close any open issues emphasizes the utility's credibility by establishing the outreach effort as an ongoing process.

It is also important that presentations to community groups be made in understandable language and, where possible, accompanied by graphics that enable participants who do not know much about the water system to relate to the information. Technical presentations are suitable for knowledgeable groups, but technical terminology is confusing to nontechnical audiences. Photographs, easy-to-understand charts and graphs, and common language are powerful tools in delivering the utility's message. Those who make presentations must have the skills to do so, including making eye contact with the audience, being comfortable before an audience, having familiarity with the subject matter, and having an ability to convey mastery or understanding of the topic or issues without being patronizing or condescending.

EFFECTIVE MEDIA RELATIONS

Effective media relations are essential for telling the utility's story. Effective media relations cannot be initiated on the day of a crisis. Like all other parts of the communications process, relationships must be established and cultivated beforehand.

A utility builds credibility with the media by using the same principles and programs it relies on to build credibility with customers and employees. Utility managers must

- engage in proactive and open communications
- know who needs to hear what and when
- seek external expertise when needed (advisory boards are useful and can help to build understanding and support)
- reveal what information is needed before being asked
- adopt a cooperative posture when dealing with media representatives

All utility leadership must know and espouse the organization's key messages in all public commentary. Communications professionals assist in developing appropriate tools and formats and in identifying the target media outlets, but it is up to utility leadership to remain focused on key messages in their commentaries. It is also advisable that the utility have one spokesperson who is well trained, has access to decision makers, and focuses on establishing and maintaining contact with media representatives. The media—and all utility employees—must be aware that the spokesperson has a straight line to policy makers and senior management and must be immediately involved if there is a request for information. No utility wants or needs to have multiple spokespersons or the resulting inaccuracies or distortions that often emerge with more than one spokesperson.

Inaccuracies and distortions result in loss of credibility, and once a utility has lost credibility, it takes years to rebuild. Credibility is evaluated through honest self-evaluation and in the public's response to media reports. When faced with negative publicity, it is easy to fall back to the observation of inaccurate reporting. However, those inaccuracies may result from lost credibility. If the answer to any of the following questions is yes, the utility may already have lost some credibility:

1. Has the utility received negative publicity and have utility managers blamed the bad press on inaccurate or biased reporting?
2. Has the utility ever corrected a problem but had little or no followup with those who were impacted by that problem?
3. Have utility spokespeople ever resorted to a technical justification for failure rather than calling it an error?
4. Have utility managers ever been unavailable to respond to the hard questions that customers or the media ask?

There are some basic rules that apply to media relations, and these should be remembered when developing and sustaining effective media relations. One of the first rules is to be friendly with media representatives. Part of that friendliness is to have background information about the utility readily available for media representatives; press releases should address basic questions—who, what, when, where, why, and how. The background material might include stock photographs of utility activities or personnel, such as utility employees repairing the distribution system, a laboratory technician conducting testing, or customer service representatives taking customer calls. Print and electronic media reporters have deadlines and the utility gains credibility when it knows and respects those constraints. Press conferences that are scheduled 30 minutes before those deadlines do not engender goodwill. Briefing sessions on major issues, events, or projects should be timely, and utility

managers should be prepared for media inquiries in the wake of drinking water problems in neighboring localities.

Many utility managers have taken advantage of media training to hone their knowledge and skills; but to improve interactions with the media, utility managers need to follow certain basics:

- Know how the media works—who they are, what they do, what they want, how they operate, and what their situation is.
- Be interested in the topic at hand and convey genuine concern.
- Take the opportunity to deal with the media, but be prepared and honest. Managers cannot accept the premise put forth by the reporter as the whole truth and should take time to formulate an answer. Managers must tell the truth, even if it brings negative consequences. If the answer to a question is unknown, managers should state that they do not know but will try to find out and follow through.
- Control the situation. Managers can simplify the complicated by explaining their message so people understand it. Above all, managers must remain calm.
- Prepare for the interview by reviewing relevant files, making an outline of important points, and learning the answers to who, what, when, where, and why. Managers should also prepare background materials, ensuring that the information presented is timely and accurate.
- Take time to review the subject with the reporter before the camera or tape recorder is turned on and get an idea of what questions are to be asked.
- Always assume that everything said is being recorded—whether in person or in a telephone interview.
- Be aware that there is no such thing as *off-the-record*, and a statement of “no comment” often raises a credibility issue. If a manager cannot or is unwilling to answer a question, he or she should state this and give a reason why.
- Prepare for a crisis and avoid creating an unnecessary one. If managers do not want something reported, it should not be addressed.

Communications—whether internal or external, crisis or routine, good news or bad—is the glue that binds the utility staff and its publics. An informed staff is a motivated staff; an information-centered manager is a respected manager whose credibility and honesty is highly valued.

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