SPU Strategic Framework

June 10, 2013 Presentation to Customer Review Panel:
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Contents

1. Strategic Business Plan Framework
2. SPU Promise
3. Focus Areas and What We Face
4. Strategic Objectives and Measurable Outcomes
<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPU promise</td>
<td>Approach and delivery</td>
</tr>
<tr>
<td>Strategic focus areas</td>
<td>The broad areas on which SPU will focus</td>
</tr>
<tr>
<td>What we face</td>
<td>Background/context</td>
</tr>
<tr>
<td>Strategic objectives</td>
<td>Specific goals by strategic focus area</td>
</tr>
<tr>
<td>Measures</td>
<td>Success indicators by strategic objective</td>
</tr>
<tr>
<td>Action plans</td>
<td>The what, who and when</td>
</tr>
</tbody>
</table>
The Importance of the SPU Promise

The SPU promise was designed to be actionable and measurable. It creates accountability to customers and clarity for what employees, departments and branches need to deliver.

It’s designed to focus SPU on providing essential services effectively, efficiently and transparently; protecting quality of life; and proactively addressing anticipated and unanticipated demands that the future will hold.
The SPU Promise

The promise describes our approach and what we deliver to our customers and stakeholders:

Mission (What SPU delivers):
Providing efficient and forward looking utility services that keep Seattle the best place to live.

Vision (The big goal by 2020):
Our customers will see how their utility dollars sustain and improve their quality of life.

Strategic Role (SPU’s primary strategic approach):
Solving problems at the source.
The SPU Promise

The promise describes our approach and what we deliver to our customers and stakeholders:

Values (Guides employees use to make decisions):

**Customer-focus**
We are accountable to our customers.

**Safety**
We provide a safe environment for our employees and customers.

**Innovation**
We encourage employees to explore new ideas and challenge traditional viewpoints.

**Inclusion**
We listen and collaborate to ensure our actions are equitable and improve quality of life.

**Value for Money**
We make effective decisions based on financial, social and environmental costs and benefits to achieve the best value for our customers.
Strategic Focus Area Process

Strategic focus areas are categories that we’ve prioritized as most important:

The E-team used this process to develop them:

- Help SPU meet its mission or vision?
- Does it solve problems at the source?
- What is the goal related to each focus area?
- How will you broadly measure progress or success?
Strategic Focus Areas and Goals

Achieve Operational Excellence
We will increase value delivered to the customer

Transform the Workforce
We will have a high performing, engaged workforce focused on business outcomes

Achieve Environmental Compliance & Stewardship
We will provide utility services in a way that makes Seattle cleaner, greener and more healthful

Create an Easy & Engaged Customer Experience
We will meet internal and external expectations

See Handout for “What We Face” Description for each Focus Area
Strategic Objectives and Measures

Each of the Four Focus Areas have 4-6 Associated Strategic Objectives

Each Strategic Objective has one or more measures

These measures are the “topline” success measures, and will be included in the Plan delivered to the public

There will also be secondary measures to guide the work of SPU staff

See Handout for complete listing of Strategic Objectives and Measures
Strategic Objectives by Focus Area: Achieve Environmental Compliance & Stewardship

Meet or exceed environmental and public health mandates.

Conduct all SPU operations in a sustainable way.

Partner with stakeholders, public and private entities to achieve environmental objectives.

Anticipate and adapt to changing circumstances.

Promote conservation and sustainable use of utility services.
Draft Top Priority SWOC: Environment

**Strengths:**
- Commitment to environmental compliance & stewardship
- Good relationships with our regulators
- Conservation and recycling programs that lead the nation

**Weaknesses:**
- Lack of clear direction for environment/public health programs not required by regulators

**Opportunities:**
- Improving response to evolving external circumstances
- Maintaining strong relationships with regulators

**Challenges:**
- Keeping up with evolving regulatory mandates
- Integrating climate change science into future actions
Strategic Objectives by Focus Area: Create an Easy & Engaged Customer Experience

Minimize the amount of customer effort required to interact with SPU.

Ensure equitable service accessibility.

Create an opportunity to participate.

Make SPU transparent to customers and constituents.
Draft Top Priority SWOC: Customer

**Strengths:**
- Customer trust and pride in SPU’s water quality and SPU/customer environmental efforts
- Customer perception that SPU services linked to quality of life
- Generally high customer satisfaction with SPU services

**Weaknesses:**
- Negative perceptions of rate levels and rate increases
- Equity issues with service delivery – perceived value for money spent depends upon neighborhood in which customer lives or works
- Inefficient customer-facing processes

**Opportunities:**
- Proactively identifying and solving the major problem areas for customers
- Expanding communication options: web services, email, texts, ESL services
- Increasing rate/service predictability and transparency

**Challenges:**
- General invisibleness of our work
- High percentage of fixed costs coupled with decreasing customer demand, leading to increasing rates
Strategic Objectives By Focus Area: Transform the Workforce

*People.* Attract, develop and retain capable and motivated people.

*Place/Safety.* Improve workplace safety.

*Culture.* Grow a culture that forges teamwork and collaboration.

*Systems.* Develop and deploy effective systems and tools to support workforce planning and performance management.
Draft Top Priority SWOC: Workforce

**Strengths:**
- Employee loyalty to SPU, and pride in SPU services
- Passionate and professional people
- Analytical and strategic thinking abilities of employees

**Weaknesses:**
- Workforce challenges: lack of clear expectations, accountability, and empowerment
- Inadequate succession planning
- Inadequate soft and other skills and training

**Opportunities:**
- Developing a culture that forges teamwork and collaboration
- Improving systems and processes to attract, develop, and retain capable and motivated people
- Improving workplace safety

**Challenges:**
- Cultural norm of avoiding difficult issues
- Working with unions to expand workforce flexibility
- Aging workforce, leading to increased on-the-job injuries and knowledge drain (with retirements)
Strategic Objectives By Focus Area: Achieve Operational Excellence

*Service Quality.* Provide reliable, high quality utility services to all customers.

*Effectiveness & Efficiency.* Spend our customers’ money on the right things and in the best way, accounting for equity, risk, and external drivers.

*Fiscal Strength.* Maintain fiscal strength.

*Fiscal Integrity.* Ensure development and implementation of sound financial practices.

*Technology & Tools.* Leverage technology and innovation to get the job done.

*Adaptability.* Anticipate and adapt to changing circumstances.
## Draft Top Priority SWOC: Operations

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<tr>
<th>Strengths:</th>
<th>Weaknesses:</th>
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<tr>
<td>▪ Sound infrastructure: tight system; few service outages; redundant water supply sources</td>
<td>▪ Inefficient and excessive processes</td>
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<tr>
<td>▪ High level of fiscal strength</td>
<td>▪ Lack of effective prioritization of work</td>
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<tr>
<td>▪ Commitment to asset management principles</td>
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<table>
<thead>
<tr>
<th>Opportunities:</th>
<th>Challenges:</th>
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<tr>
<td>▪ Discovering and implementing efficiency opportunities</td>
<td>▪ Insufficient drainage infrastructure in pockets of the City</td>
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<tr>
<td>▪ Improving collaboration and integration with other departments and agencies</td>
<td>▪ Limited influence/control on major cost centers (wastewater treatment; charges from other City departments)</td>
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<tr>
<td>▪ Ensuring sound financial practices</td>
<td>▪ Other agency projects affecting SPU infrastructure in rights-of-way</td>
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<tr>
<td></td>
<td>▪ Underperforming infrastructure</td>
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