

Water Supply Service with Customers' Voices:

Osaka City,
Tokyo Metropolitan,
Chiba Prefecture,
Yahaba Town



**Water tasting challenge by Bureau of Waterworks,
Tokyo Metropolitan Government**

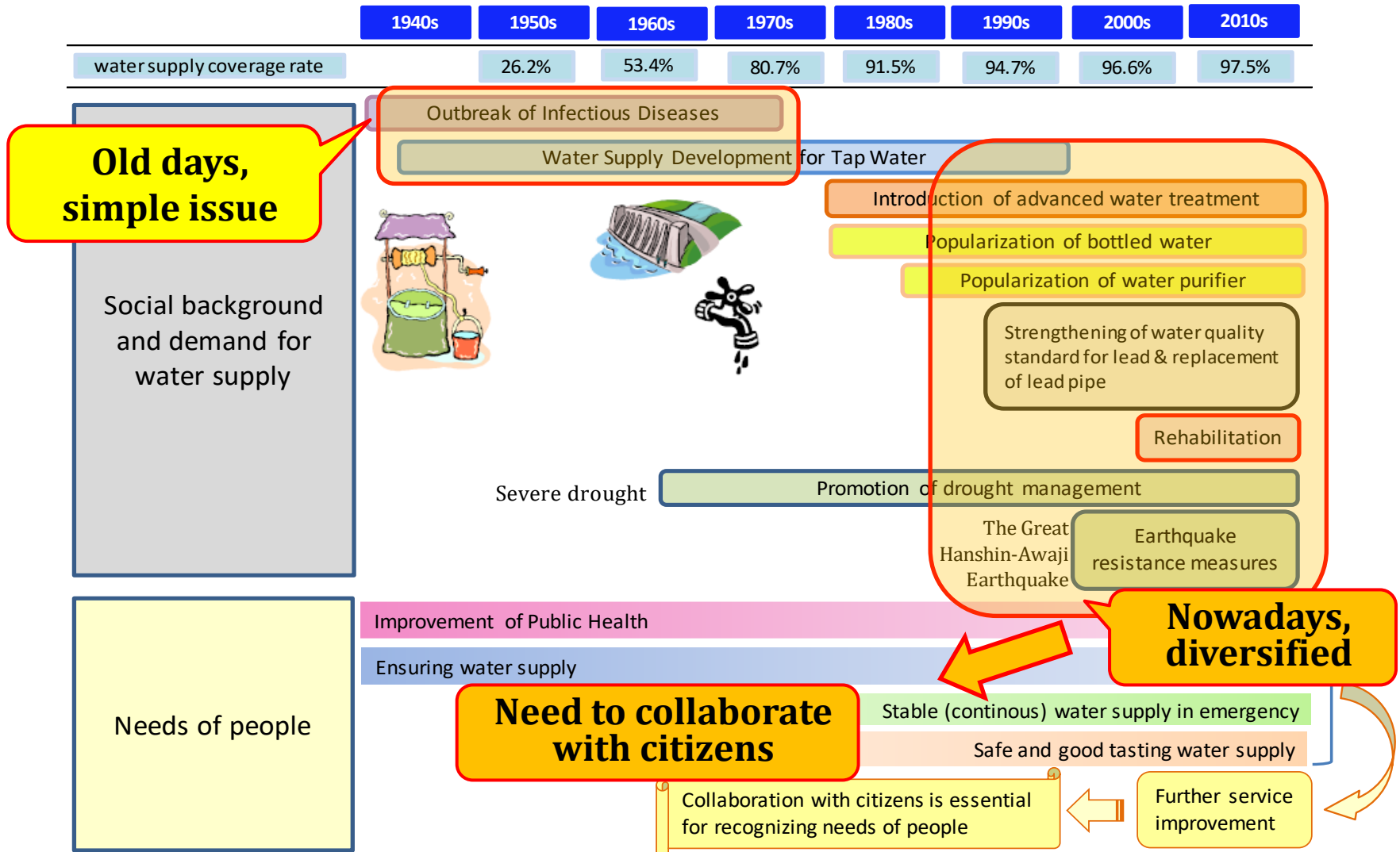
Source: <http://www.metro.tokyo.jp/INET/CHOUSA/2015/07/60p76400.htm>

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1. Introduction



Source: Ministry of Health, Labour and Welfare, <http://www.mhlw.go.jp/stf/shingi/2r98520000027cq9.html>

2. Customer Relations

(1) Rights and Responsibilities of Water Utilities and Customers Stipulated in the Water Supply Act

- **Article 14 (Rules of Water Supply)** : A water utility shall develop regulations and share details of water supply contract with its customers including water tariff, customer's cost burden of service connection installment (construction cost), and condition of water supply.
- **Article 15 (Obligation to Provide Water Supply)** : A water utility cannot reject any application for service without a valid reason and is obliged to provide safe reliable water supply service.
- **Article 18 (Request for Inspection)**: A customer has the right to ask the water utility for water quality testing and inspection of water supply equipment. The water utility shall respond to such requests in a timely manner and inform the customer of the results.
- **Article 24-2 (Information Disclosure)**: A water utility shall notify customers of the results of water quality tests, and other information about the water supply services in accordance with the orders of the Ministry of Health, Labor and Welfare.

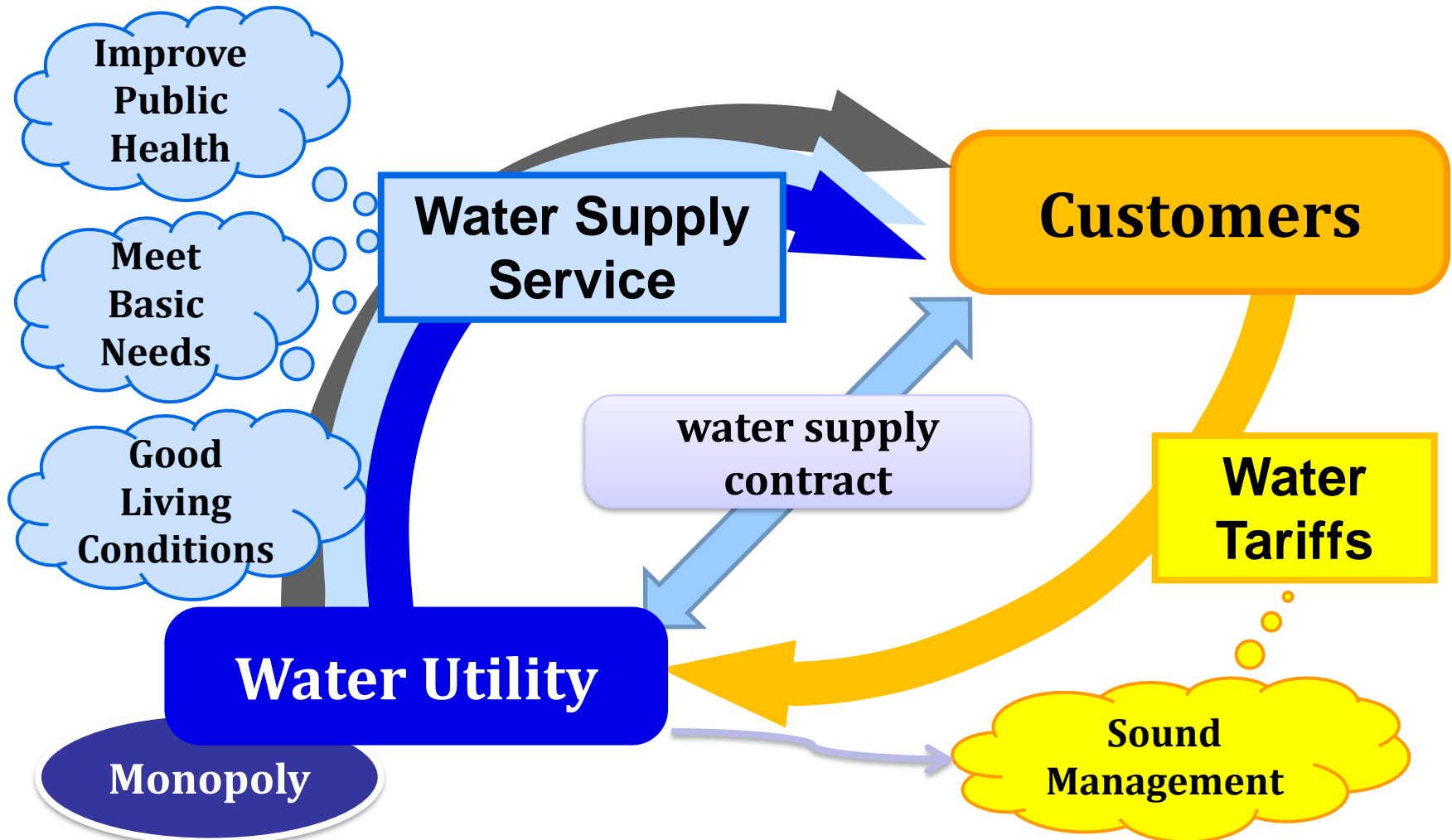
2. Customer Relations

“Ordinance for Enforcement of the Water Supply Act” gives customers the right to know:

1. Safety of the water supply, including the results of water quality tests.
2. Operation of water supply services.
3. Costs for water supply services including the construction and maintenance of facilities.
4. Fees and charges for customers including water tariff.
5. Management and maintenance plans for service connections and water tanks.
6. Earthquake resistance of water supply facilities and on-going improvements.
7. Results of additional temporary water quality tests.
8. Emergency response plan for water supply in case of natural disasters or incidents that may compromise water quality.

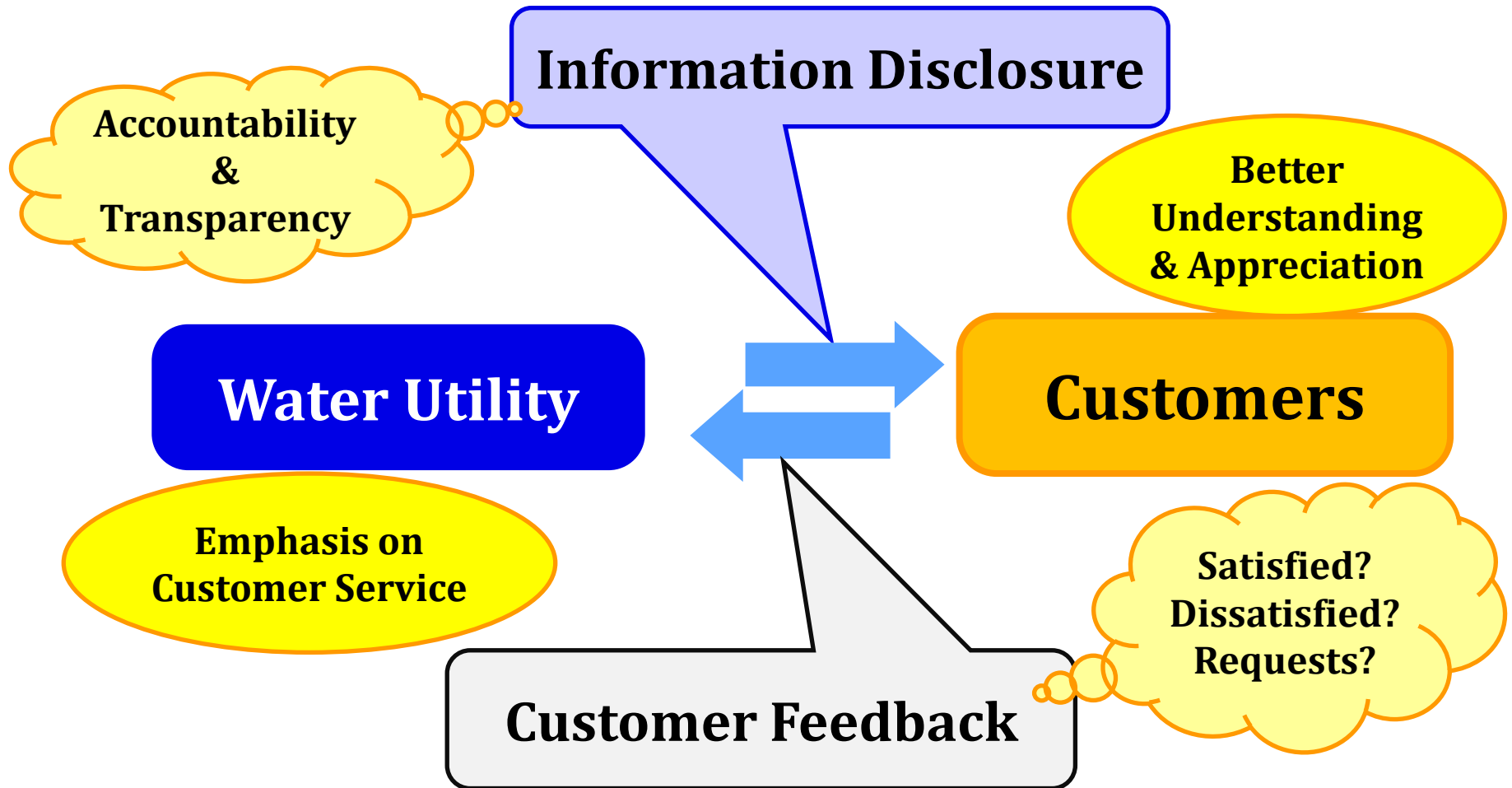
2. Customer Relations

(2) Relationship between a Water Utility and Customers



2. Customer Relations

(3) Need for Two Way Communications



3. Case 1: Customer Service through Daily Operation

Customer Service Improvement in Osaka City

Period	Customer Service Initiatives
Before World War II	Customer service manuals for service connection technicians, meter readers and tariff collectors in order to improve their service delivery.
1949	Start of service vehicles travelling around the city to work sites to conduct repairs on connections or broken pipes.
Late 1980s	Change in operational philosophy: customers are not just residents receiving government services but are valued clients of a business enterprise.
1988	Began with training managers to improve business demeanor. Managers then trained their staff on customer friendly service. Produced many internal instructors as a result.
1989	Founded the task force on customer service improvement, to engage all personnel in customer friendly practices throughout the organization.

3. Customer Service through Daily Operation

Customer Service Improvements in Osaka City (Cont'd)



Service vehicle
conducting repairs
around the city



Staff repairing a tap

Source: Osaka Municipal Waterworks Bureau "One Hundred Years' History of Osaka Municipal Waterworks" 1996

4. Case 2: Public Outreach and Information

Disclosure

Example of a Poster

A poster for water-saving
(1912~1926,
Nagoya City)

“Make your kitchen better:
A household that values
water prospers.
A household that wastes
water suffers.”



Source: Nagoya City Waterworks and Sewerage Bureau

4. Case 2: Public Outreach and Information Disclosure

Disclosure

Example of Brochures

Easily to understand with pictures and data.



4. Case 2: Public Outreach and Information Disclosure

Example of Brochures (Cont'd)

Easily to understand with performance indicators

イ 経営指標 Management-related indexes

Indexes 項目		FY2013(Plan) 25年度(計画)	FY2013(Results) 25年度(実績)	FY2014(Plan) 26年度(計画)	FY2015(Plan) 27年度(計画)
Management efficiency 経営の効率性	Number of service connections per employee (x1000/employee) 職員一人当たりの給水件数 (千件/人)	1.8	1.8	1.8	1.9
	Total length of distribution pipes managed per employee (km/employee) 職員一人当たりの配水管管理延長 (km/人)	6.7	6.7	6.8	7.0
	Accounted-for water per employee (1000 m ³ /employee) 職員一人当たりの有収水量 (千m ³ /人)	389	372	393	403
	Water supply cost (Note 3) 給水原価 ^{注3} (yen/m ³) (円/m ³)	202.3	203.5	202.2	201.4
Reinforcement of management base 経営基盤の強化	Employee payroll rate 職員給与比率 (%)	6.8	6.6	7.3	6.7
	Balance of enterprise bonds (100 million yen) 企業債残高 (億円)	2,873	2,813	2,605	2,447
	Ratio of principal and interest redemption to revenue on water supply (Note 4) 給水収益に対する元利償還割合 ^{注4} (%)	13.6	14.0	12.3	9.7
	Ratio of owned capital to total capital 自己資本構成比率 (%)	81.6 (73.1)	79.5 (73.0)	75.2	76.9
Soundness 健全性	Ordinary balance ratio 経常収支比率 (%)	112.4	111.5	115.5	114.9

(Note 1) All index values are calculated with tax included.

(Note 2) All index values for fiscal 2014 and subsequent years are calculated on the basis of the new accounting regime.

The figures in parentheses have been calculated for reference purposes on the basis of the new accounting regime under the assumption of its application from fiscal 2014.

(Note 3) Water supply cost is calculated on the bases of the fund, with capital expenditure included in the total expenditure.

(Note 4) The rate of redemption of principal and interest against the revenue on water supply is calculated by exempting the loan.

Source: Bureau of Waterworks, Tokyo Metropolitan Government
<http://www.waterworks.metro.tokyo.jp/eng/supply/>

4. Case 2: Public Outreach and Information Disclosure

Example of Brochures (Cont'd)

Message – A homeowner is responsible for fixing the service pipe from the meter to the tap.



Getting customers' attention in water supply matters by cartoon (manga).

Source: Bureau of Waterworks, Tokyo Metropolitan Government
<https://www.waterworks.metro.tokyo.jp/kouhou/manga/pdf/st02.pdf>

5. Case 3: Customer Service Center

Customer Service Centers of Tokyo Metropolitan Government

- Deal with complaints, enquiries, applications and disconnection requests.
- Organize customer information to facilitate a timely response.
- Respond to reports of leakage and broken water mains 24/7.



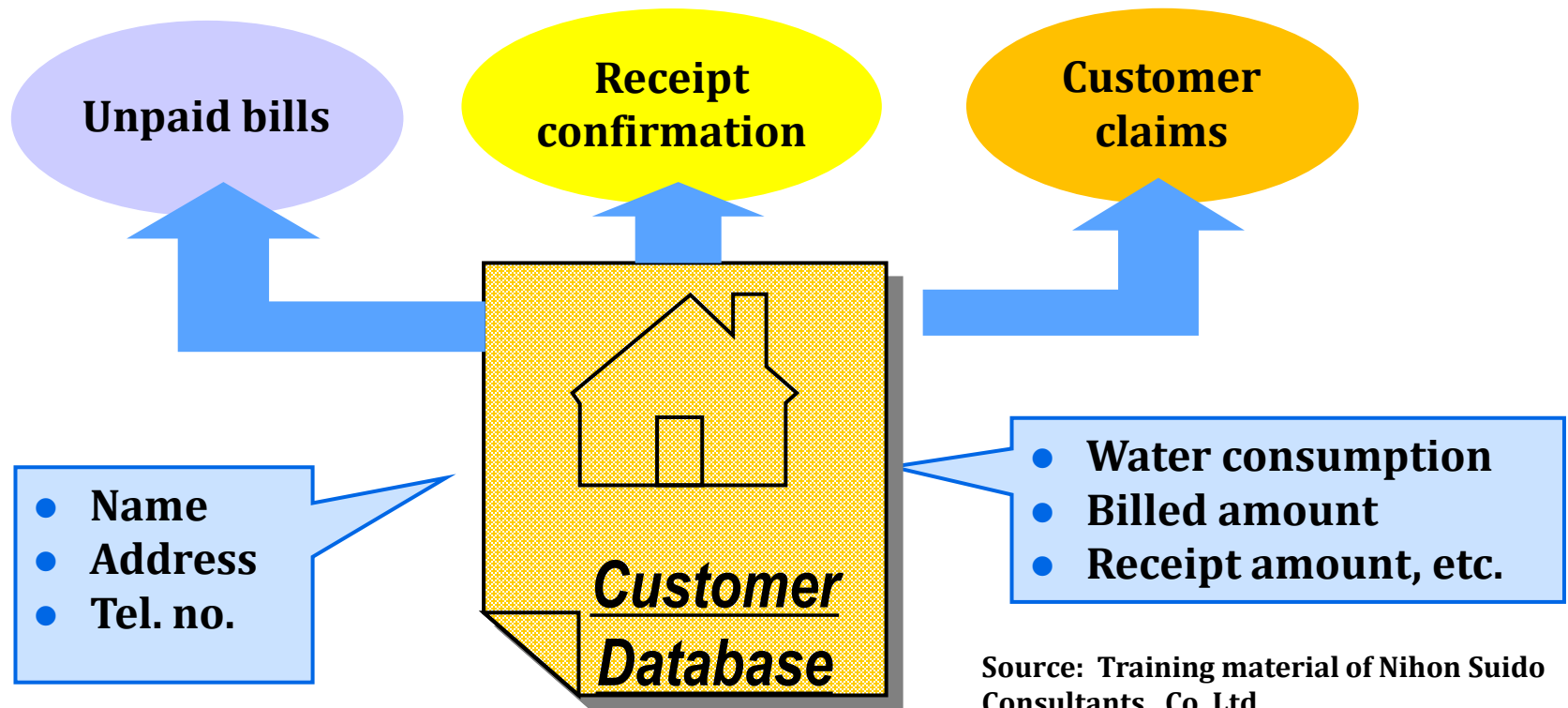
Inside of the Customer Service Center

Source: Bureau of Waterworks, Tokyo Metropolitan Government
http://www.waterprofessionals.metro.tokyo.jp/pdf/wst_06.pdf

5. Case 3: Customer Service Center

Customer database;

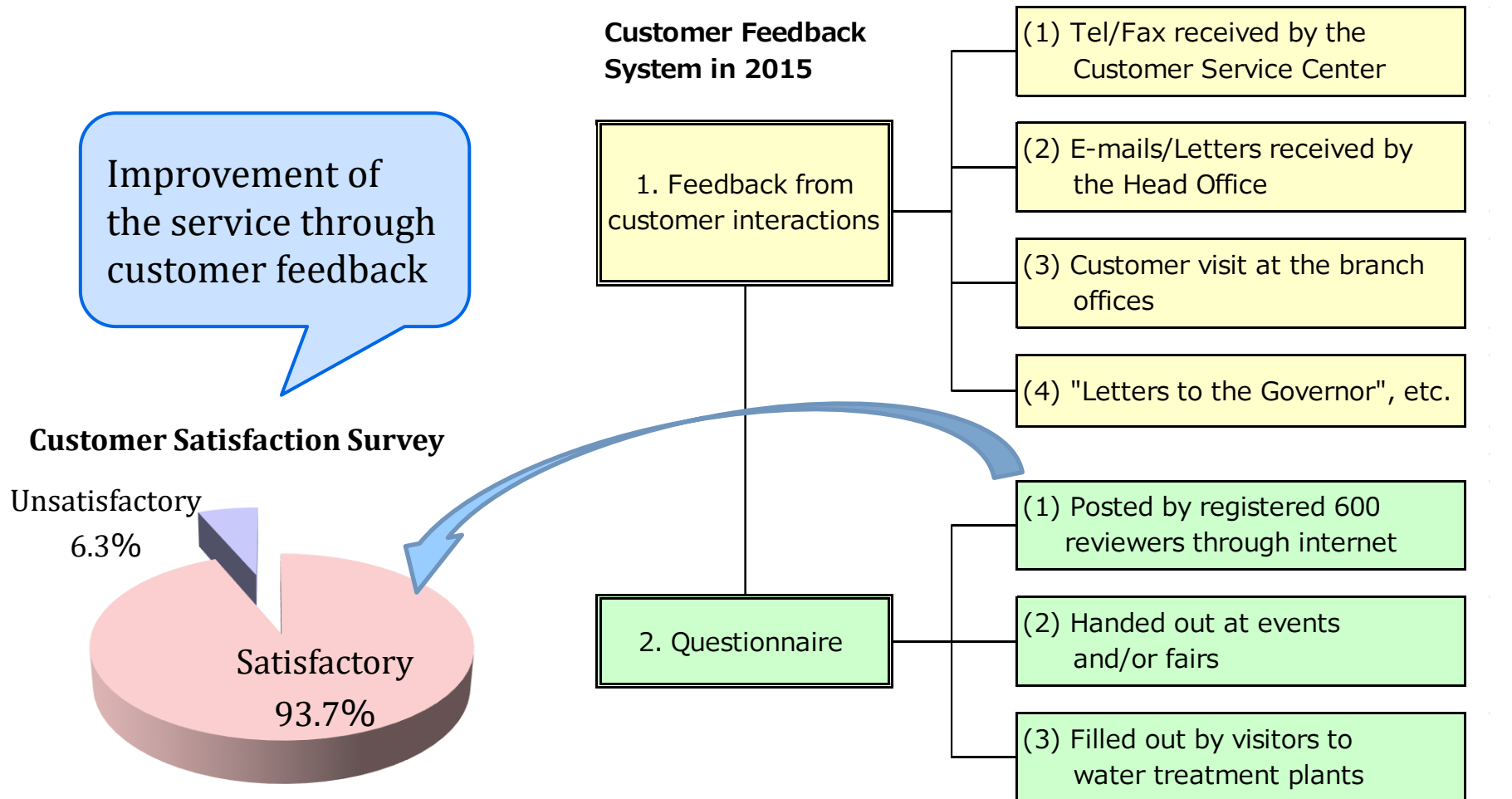
Key to **quick response to enquires, customer's satisfaction and reliability of a water utility.**



Source: Training material of Nihon Suido Consultants., Co. Ltd..

6. Case 4: Customer Feedback / Questionnaire Survey

Customer Satisfaction Survey & Feedback by Chiba Prefecture



Source: Chiba Prefectural Waterworks Bureau

7. Case 5: Customer Participation

Yahaba Waterworks Supporters in Yahaba Town

Necessity of Participatory Approach for Consensus



Process of building awareness to obtain consensus

Well-informed customers ⇒ knowledgeable supporters who will understand the need for future waterworks.



Source:
<http://www.hit-u.ac.jp/kenkyu/file/27forum3/YOSHIOKA.pdf>

8. Case 6: Seminars at Schools

Seminars by Chiba Prefecture

Utility staff teach students about water supply and sewerage systems and how these contribute to their health and living conditions. Students also visit a water treatment plant.



Picture story shows, water purification experiments, quiz, etc.



Source: Chiba Prefectural Waterworks Bureau

9. Lessons Learned (1)

- **(The Water Supply Act and Relationships between a Utility and Customers)** Water utilities are required by **the Water Supply Act** to supply safe drinking water and **provide information to their customers**. The **water supply contract between the utility and its customers** sets out the relationship between the two parties. Customers pay for services and the revenue generated covers the expenses. **Improving customer service** can lead to **sound and effective management** of the water supply business.
- **(Customer Database)** As waterworks are natural monopolies, customers have the right to hold the utilities **accountable** and continually challenge them to deliver **better service**. It is essential for utilities to organize and keep their **customer databases** up to date. A well-run database with **reliable and accurate customer information** allows utilities to respond to requests and enquiries in a timely manner, thus fostering **customers' trust** in the business.

9. Lessons Learned (2)

- **(Information Disclosure and Public Involvement)** Water utilities are obliged to provide **business and financial information** on a regular basis and make such information **easily accessible**. **Well-informed customers** tend to understand and support proposed initiatives and contribute to sustainable management of the business. Water utilities must continue to improve their services by **listening to public opinions** and **respond to the needs of their customers**.
- **(Management Centered on Customer Service)** Japanese water utilities are well-regarded for high service standards, advanced technical capabilities and well-organized operations. The most critical take-away lesson from these successes is the basic premise of **good customer service in providing safe drinking water**. Emphasizing **customer satisfaction** is an effective way for water utilities to continue to improve the management of the water supply business.