



CONVERSATIONS WITH THE CCO:

Customer Engagement Strategies

Hosted by Curtis N. Bingham

Featuring Helen Burt

SVP & Chief Customer Officer

Pacific Gas & Electric Company

CHIEF CUSTOMER OFFICER
COUNCIL



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Hosted by Curtis N. Bingham
Founder and Executive Director
Chief Customer Officer Council
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Conversations with the CCO is a web-based, live Q&A series hosted by the Chief Customer Officer Council that features some of the most forward-thinking and successful CCOs in the world speaking candidly about best practices and challenges in driving customer centricity. To learn more and to view past Conversations, visit www.ccocouncil.org

How can you leverage your customer research to create winning engagement strategies? This *Conversation* features a chief customer officer who is doing just that. Appointed Chief Customer Officer and Senior Vice President of Pacific Gas & Electric Company in 2006, **Helen Burt** is a recognized expert in the utility industry and a sought after speaker on customer service, marketing, and quality assurance both nationally and internationally. Here we discuss Helen's initiatives and lessons learned in driving customer centricity and engagement at one of the nation's largest utilities.

Curtis Bingham: At PG&E you lead marketing, product development, sales, call centers, and more. Where are you on the CCO continuum? It sounds like you have a great number of line functions.

Helen Burt: I'm responsible for functions that fall within high customer touch, so I do have direct responsibility for call

centers, community offices and a sales force, but I also have process authority over customer touch points outside of my organization.

CB: What is your influence through process authority? Can you give an example?

HB: A key challenge in touch points outside my line authority

PORTRAIT OF A CCO

Company Profile: PG&E is a 106 year old regulated California utility covering 70,000 miles of service area and 9.5 million customers.

Title: Chief Customer Officer & Senior Vice President

Accountabilities: Line authority for 4,000 employees across marketing, product development, sales, meter-to-cash, call centers, community offices, and energy efficiency/demand response. Process authority for touch points outside of her direct organization.



is making sure that I'm *not* responsible for the customer—I need to get others equipped and driven to carry that accountability. For example, in our natural gas business, we're focused on infrastructure replacement and pipeline safety. I need to ask: *How can we instill high customer touch into that?* One way I've

calls and sent letters. It's a neighbor-to-neighbor, very high-touch initiative. The goal was to have customers feel like we were ensuring their safety as opposed to just snarling traffic, and we had some pretty good results. A post-outreach survey indicated that 83% of customers felt safer than before the outreach.

customer contact internally reinforces the way in which happy customers make our work easier.

CB: It's a brilliant example. The CCO needs to ensure that in every function someone asks *what is the potential impact on customers?* If it's positive: great, leverage it. If it's negative: okay, let's figure out how to mitigate the impact.

For Helen, "A key challenge in touch points outside my line authority is making sure that I'm not responsible for the customer—I need to get others equipped and driven to carry that accountability."

HB: In this case, we were able to turn routine field activity into a safety assurance by simply thinking about *how is this going to feel in a neighborhood?* These are the opportunities of getting the customer engaged in routine operations.

accomplished involves pipeline testing. It's a routine function that includes exposing pipe, sectioning it off and running pressurized water through it for hours at a time, creating disruptions like traffic delays, etc. It's a physical process that isn't necessarily aimed at customers, where my obligation as CCO to inject the voice and sensibility of the customer. So we've implemented a massive, multi-touch outreach initiative in which we held community meetings in local schools and hotels, made automated phone

calls and sent letters. It's a neighbor-to-neighbor, very high-touch initiative. The goal was to have customers feel like we were ensuring their safety as opposed to just snarling traffic, and we had some pretty good results. A post-outreach survey indicated that 83% of customers felt safer than before the outreach.

Secondarily, there were sections where we found small leaks, but through outreach we're continuing the drumbeat: *This is what we hoped to find, we found it, and we're taking care of it.* It keeps us in front of potential negativity. And a third benefit: one leader of this effort was an engineering officer whose primary job is running hydro plants. He doesn't have much customer contact, but by participating in the outreach program, this customer sensibility really sunk in for him; high-touch, employee -to-

What are some other things you're doing to engage employees?

HB: In our call center, we surveyed customers following a call on (1) their level of trust in the company and (2) the level of caring that they felt from the employee. We found that about 10% of employees do a phenomenal job on both. So we've engaged those



employees in a program we're calling "Positive Edge," using them to improve call center curriculum development and training. We're looking at how these top employees are using the same tools differently so that each customer *they* talk to trusts the company more, feels cared for, and has a positive emotional connection to us.

Another initiative was our "Customer Listening Tour"—we held a series of in-person forums across California in which we selected customers who tended negative in their opinion of us and put them in a room with our President and officers. There's nothing like sitting across the table from a customer, hearing everything you're doing wrong, to help shape executive opinion.

CB: Can you give us a snapshot of what you're doing to engage customers?

HB: Any customer that has a bad experience gets a phone call the next day from one of the representatives in that same group I mentioned, those with the highest trust and

caring scores. That attention tends to be a very positive experience and customers are excited about it.

Something we've learned through our customer research is that we need to increase customer confidence in safety, so this is an area we're pushing on. Our pipeline outreach is one example. Another example is

want you to know that one of the most common safety issues occurs when a customer moves a gas appliance. Will you be doing that? Because I want to send one of our gas service reps out, just to ensure your safety. It's these opportunities that get the customer sensibility ingrained into routine operations.

Burt explains the value created by her live, customer-executive focus groups: "There's nothing like sitting across the table from a customer hearing everything you're doing wrong to help shape executive opinion. That's been phenomenal; the other executives really start to understand 'driving customer satisfaction makes my job easier.'"

about language: in our call center, one question that's routinely asked of customers who is moving is: *Are you moving appliances?* We ask because the most common gas leak is caused when a customer moves a gas appliance improperly. So we've taken the simple, low-cost step of adding a few words to the call center script: *Mr. Bingham, I'm concerned for your safety. I*

And we've launched "My Energy", an online dashboard for customers where they can schedule a move, view and pay their bills, and view details of their energy usage along with personalized tips for saving on their energy bills. It's about providing customers with options—customers want control over their services, and so we need to find ways of providing that control.



CB: How do you measure your success as CCO?

HB: We conduct specific surveys, for example the survey I mentioned around the pipeline testing outreach program. We also look at measures like JD Power and other satisfaction studies.

It's important to have very specific metrics about the value of customer satisfaction; we may appreciate it at a discussion level, but you have to show how much money that's worth.

CB: How have you done that?

HB: We've been less effective in this area than I'd like. We have to look at *what is the cost of an unhappy customer? If I can move customer sat up so many points what costs might we avoid?* It's difficult to quantify.

CB: There are three types of authority CCOs or other executives have. *Positional authority* comes from your title and where you are on the

organizational chart. *Borrowed authority* comes from the CEO banging your drum: *Listen to Helen, she speaks for me.* You develop *earned authority* by delivering positive results and correlating what you're doing with overall company goals. Where are you in this authority model?

HB: Early in my tenure I had strong borrowed authority; we had a very robust strategy around the customer. However, as we started to run into issues like the resistance to SmartMeter™ [PG&E's move from old analog utility meters to new, electronic, networked meters], we hunkered down and stopped funding some initiatives that would've driven higher customer touch. However, we've recently realigned and the customer is returning to the center of our work.

CB: The Customer Listening Tour is a great example of an effort that increases borrowed and earned authority—

executives are exposed to customers and begin to see the critical importance of the high-touch strategy that you've advocated.

HB: Yes, and we have ongoing customer advisory panels—my team staffs the panels and I have different executives chair them. That's been phenomenal; the other executives really start to understand what drives customer behavior. They get the message that *if I drive customer satisfaction, my job is easier.* We just had a meeting yesterday where we challenged our next level down to start attending those meetings.

CB: What's your advice for new chief customer officers?

HB: Make a lot of change very quickly. There's a short window of opportunity and you need to move quickly and engage partners along the way to make sustainable, customer centered change.



About CURTIS N. BINGHAM

As Executive Director of the Chief Customer Officer Council™, Curtis Bingham is the recognized authority on chief customer officers and the first to promote this role as a catalyst for competitive advantage. He is the creator of the CCO Roadmap, a groundbreaking work containing 100+ critical strategies essential for customer centricity. As an international speaker, author, and consultant, Curtis is passionate about creating customer strategy to sustainably grow revenue, profit, and loyalty.



About HELEN BURT

Helen Burt is Senior Vice President and Chief Customer Officer for Pacific Gas and Electric Company. An acknowledged expert in the utility industry, Helen is responsible for leading marketing, product development, sales and services, as well as all meter-to-cash operations, call centers, and field gas and electric service. She also leads a \$2.0 billion SmartMeter™ deployment and an extensive portfolio of energy efficiency, solar, and demand response activities. She is an internationally sought after speaker on the topics of customer service, marketing and quality assurance.

About THE CHIEF CUSTOMER OFFICER COUNCIL

The Chief Customer Officer Council is the first of its kind; a member-led peer-advisory network offering unparalleled insight into the critical issues facing CCOs. It was created to provide a safe environment where CCOs can share ideas, concerns, and build best practices that will help them, their companies, and especially their customers succeed. The Council includes CCOs from diverse industries, purposefully cross-pollinated with the most forward-thinking companies, large and small. For more information, visit www.ccocouncil.org, email info@ccocouncil.org or call 978-226-8675.



Navigating the Storm – In this article by Curtis N. Bingham, featuring Helen Burt, Chief Customer Officer of California’s largest utility company, Pacific Gas & Electric, you’ll learn four proven practices for managing customer crises that you can begin to implement *before* crisis strikes.

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