

# Communicating Risks: Lessons From Our Peers

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# Context

- The heart of our strategic plan is **identifying, scoring, and developing strategies** for organizational risks.
- We are **studying** the way that **other utilities** communicate about risk.
- We interviewed **10 managers at utilities or consultants, 3 City bureaus, the Port of Portland.**
- They talked about **why and how they communicate about risk.**

# Who Did We Talk To?

<b>Organization</b>	<b>Contact and Position</b>
<b>Massachusetts Water Resource Authority</b>	Steve Estes Smargiassi, Director of Planning and Sustainability
<b>Denver Water</b>	Melissa Elliott, former Director of Public Affairs
<b>Seattle Public Utilities</b>	Wylie Harper, Director of Water Quality
<b>San Francisco Public Utilities Commission</b>	Betsy Lauppe Rhodes, Regional Communications Manager
<b>Metropolitan Water Council of Governments</b>	Lisa Ragain, Principal Water Resources Planner
<b>City of Columbus Public Utilities</b>	Kevin Campanella, former Asset Manager
<b>Louisville Water</b>	Kelley Dearing Smith, Vice President of Communications and Marketing
<b>HDR Consulting</b>	Phillippe Daniel, Vice President
<b>Miami University Center for Business Excellence</b>	Brian Ballou, Co-Director
<b>Tacoma Water</b>	Chris McMeen, Water Quality Manager
<b>Bureau of Planning and Sustainability</b>	Julia Thompson
<b>Bureau of Environmental Services</b>	Diane Dulkan, Public Information Officer
<b>Prosper Portland</b>	Shawn Uhlman, Public Affairs Director
<b>Port of Portland</b>	Kama Simonds, Public Information Officer, Aviation

# What Did They Tell Us?



- Telling the story of **how we manage risks** helps people see the **tradeoffs** we face and **builds trust**.
- Talking about risks helps **make the case for investment**.
- **Employees and trusted stakeholders** are some of the most **effective messengers**.

These are new expectations for water utilities in **communicating about our risks**.

# Old Way of Communicating

“You send us money,  
we send you water—done  
deal.”

“We don’t tell our own story.”

“You make your work sound  
too easy—you oversimplify.”

Just saying “it’s a gravity-fed system” and  
“forest to faucet” doesn’t convey

- Fixing 92 main breaks in 13 days
- Handling 14,000 lead kits in one year
- \$1 billion in projects to ensure safe and reliable operation for future generations

# New Ways of Communicating

Words from our peers:

“We are stewards of the water resource—  
**it’s our duty to look at ourselves and our system.**”

“We have a **process** for **managing risks**, and that makes people comfortable.”

“Saying this builds **trust.**”

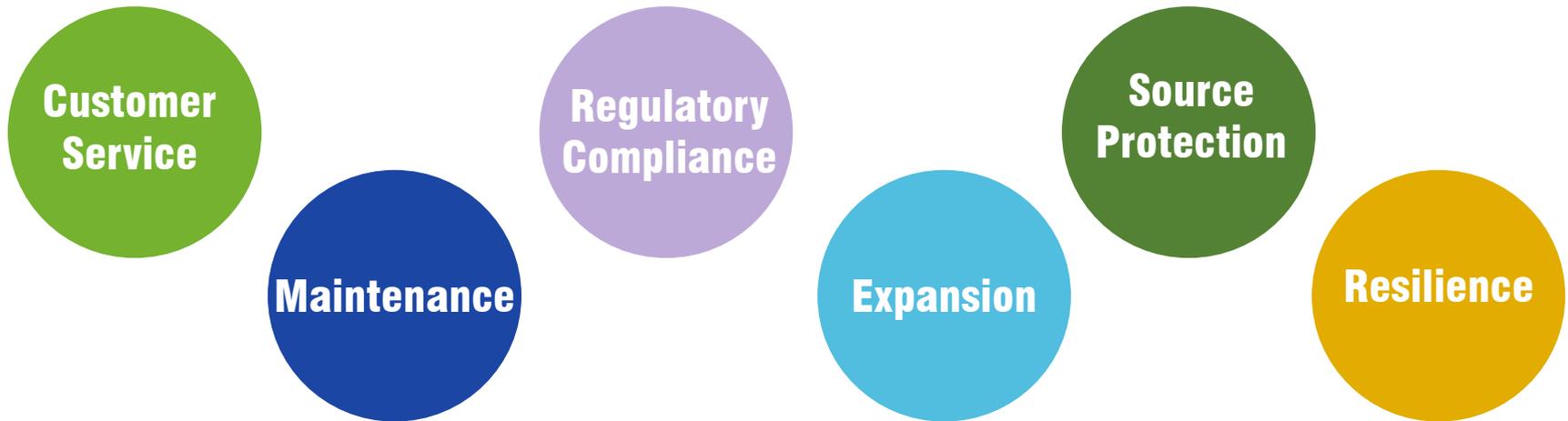
“We are **prepared** and **know where we need to improve.**”

“You can’t tell people to trust you. You have to give them information so they come to trust you.”

- San Francisco

# Tradeoffs and Decision Making

- “We help people see our **tradeoffs** so that when something happens, there is understanding and **trust** to build on.”
- “We need to be able to say ‘**I know about this risk and choose not to fund it as high as other risks.**’”
- “Share with people the information you have and **how you came to the decision**, over and over again.”



# The Benefits of Talking About Reducing Risks

- Helps **make the case for investment**
- From Interviews, we heard:
  - “We were doing a crummy job of meeting requirements in the ‘90s. We told people what the risks were. **If you minimize what the risks are, it's hard to make the case for investing (to fix the risk).**”
  - “With filtration...it was easier to talk about the rate because they were getting more value from higher rates.”
- Process: Assess, communicate, address

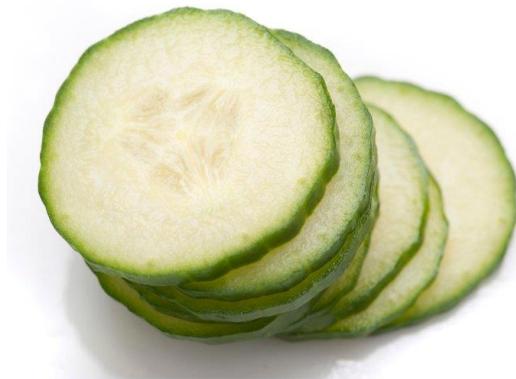


# Build Trust

- “Deliver the unvarnished truth as often as possible, but coupled with what's next. ‘We're working on it.’”
- *Build trust by sharing information about how you make decisions and manage risks.*
  - 10 interviewees

# How To Talk about Risk

- “When you buy a car with a new safety feature, you don’t say your old car was unsafe, you say the new car is more safe. **If you’re not willing to say you can do something better, you’ll never do it better.**”
- “We need to manage a massive amount of data and information and **package it in a meaningful way.** Otherwise, it’s like going to a restaurant, and, instead of an awesome meal, you get a stack of raw ingredients.”



# “No man is a prophet in his own land.”

- Have partners and front-line staff deliver messages.
- “Staff can be the best ambassadors. **They can say things in a conversation that you can’t say anywhere else.**”
- “As much as possible, try to get **people in the community to tell your story**—then it doesn't have to be you. When you have happy partners, you get awesome stories.”



# Why Communicate About Risks

- “Risk management is about relationships.”
- “People willing to pay for improvements is what drives economic sustainability.”
- “The world is changing around us. If a utility is looking at what can be improved, it is a learning organization, seeking to do better.”



“It’s not about the water, it’s about the people.”

# Applying What We Heard

- Telling people we face vulnerabilities builds trust.
- Talking about risk builds a case for investment.
- Communicate risks strategically by earning trust, enlisting our partners, and packaging information in meaningful ways.