

Communicating Risks: Lessons From Our Peers

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April 2018

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?

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

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.**”

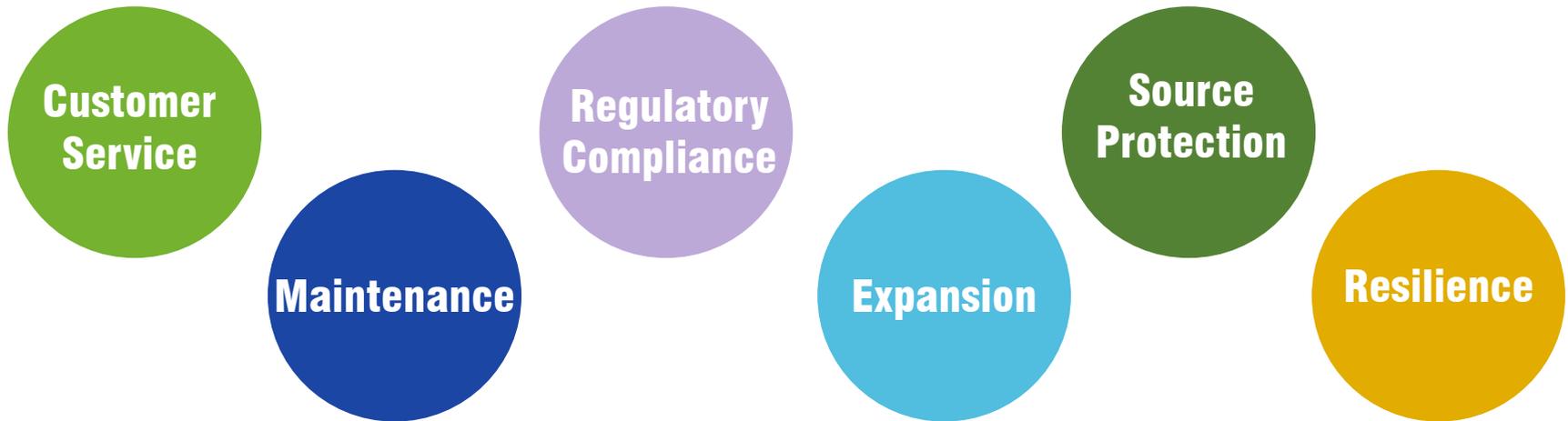
“We are **prepared** and **know where we need to improve.**”

“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

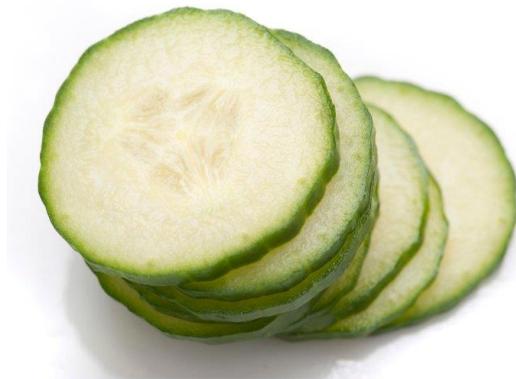


Build Trust

- “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.