



JEA

SUMTOTAL® CUSTOMER SUCCESS

▶ THE COMPANY

- Established by city of Jacksonville, Florida, in 1895
- 8th largest municipally-owned utility in U.S.
- 400,000 customers
- 2,000 unionized and non-union employees
- Mission: To improve the quality of life in the communities we serve by being the best electric, water and sewer utility in the nation.

SumTotal[®]

STRONG TEAM, STRONG BUSINESS.

▶ THE CHALLENGE

JEA, one of the United States' largest municipally-owned utility companies, has undergone a remarkable makeover in the past seven years, transforming itself into an industry leader in customer satisfaction. JEA credits its transformation to TotalPerformance™, a comprehensive, automated employee performance management system, used in coordination with a corporate performance scorecard and Six Sigma methodology.

“From our perspective and from feedback we've gotten from everybody participating, the system is very intuitive. It requires very little prompting or long reading. It walks you through and almost tells you what to do. With TotalPerformance, we have more people being rated, more people participating as raters, and we have better feedback reports.”

- **Greg Lynn**
JEA's Manager of Performance Management

In 1999, JEA set the ambitious goal of reinventing itself as an industry leader in customer satisfaction. At that time, as the U.S. utility industry was deregulating, JEA faced increasing competition, price sensitivity and high customer expectations which generated extreme pressure on its financial, organizational, and employee effectiveness.

Setting a goal and outlining the strategy to achieve the goal was the easy part, according to JEA's Manager of Performance Management, Greg Lynn. “JEA's employees are an interesting blend of visionaries and engineers,” says

Lynn, whose own background is in industrial management and industrial engineering. “Our hardest challenge was to translate the company's service vision into important, relevant daily goals and activities for every employee.”

The odds against achieving JEA's strategic goal were daunting, especially in this municipally-owned utility where eight different bargaining units drive employee processes and expectations.

▶ THE SUMTOTAL SOLUTIONS

JEA began its transformation with a communication plan aimed at instilling the importance of customer service to its employees. They initially supported the customer service message through an expanded but simplified 360 feedback process, which included customer service metrics. In turn, each manager was accountable for including service-related performance goals for each direct report. Over time, performance against such goals has become a significant determinant of compensation for every employee in the organization.

During the last year, JEA has integrated its Business Performance Measurement process into its employee goal management, ensuring precise measurement of employee results and integration of employee performance data into overall business performance measurement.

The easy-to-use, web-delivered employee performance management tools provided by TotalPerformance were the critical factor in the success of JEA's strategic initiative.

CASE STUDY

JEA

With its flexibility, ease of use, and configuration options, TotalPerformance helped JEA execute its corporate strategy by:

- Clearly assigning performance expectations to each employee;
- Making employees responsible;
- Holding employees accountable;
- Connecting performance to rewards;
- Enhancing communication and feedback; and
- Allowing flexibility in a dynamic environment.



Results

Internal process improvements

- Reduction in number of performance management systems
- 61% reduction in process defects
- 14% improvement in employee attitudes towards performance management

Labor savings

- Estimated annual savings > \$100K
- Automated appraisal creation from templates
- Standardized forms, measures and procedures
- Online data entry, collection, analysis, reporting
- Year end reviews
- Labor Relations assistance

External-facing results

- Lowest residential rates in Florida
- One rate increase in 14 years
- Ranked in the top ten in JD Powers customer satisfaction index.
- Safety improvements
- 66% reduction in OSHA-RIR in last 3 years
- Improved environmental stewardship
- Industry recognition
- Power Plant of the Year Award
- EPA Operations and Maintenance Excellence Awards
- Florida Department of Environmental Protection

The system now touches every employee in the organization, enabling creation and linkage of personal goals to support corporate objectives, providing regular performance reviews that both monitor goal progress and accurately measure employee competencies, and supplying the infrastructure to optimize talent, identify and reward superior performance.

JEA's performance management process has proven to be not only efficient (Lynn conservatively estimates the annual labor savings in six figures), but, more importantly, highly effective in turning strategy into results.

▶ TRANSFORMATIONAL RESULTS

JEA has delivered impressive successes over the past several years. Better management has kept costs down and rates low, and an ongoing focus on workplace safety has reduced the number of OSHA-recordable incidents over the past four years by 69.5%. In addition, JEA's Northside Generating Station has earned national awards and the Buckman WasteWater Treatment Plant received the Operations and Maintenance Excellence Award from the EPA.

But JEA's biggest success, and the one underlying the rest of its achievements, is the stunning reinvention of the company as an industry-leading customer-focused organization. JEA's steady and impressive gains in customer satisfaction ratings are well-documented by multiple measurements, including results from regular surveys conducted by independent auditors J.D. Powers and the American Customer Satisfaction Index (ACSI).

“ A few years ago, JEA set our #1 strategic company goal to reinvent ourselves as an industry-leader in customer satisfaction. A well-designed, well-managed performance management system has been invaluable in helping us align employee activities with corporate objectives. That has helped us to execute our strategy and reach our goal. ”

- **Jim Dickenson**
CEO, JEA.

In 2004, JEA's customer satisfaction ratings rose to #2 among medium-sized utilities in the United States (according to both the American Customer Satisfaction Index and J.D. Powers). Despite the disastrous hurricane season of 2005 (four hurricanes) and JEA's first rate increase in 14 years, JEA's Customer Satisfaction rating remains in the top ten of mid-size utilities and is the only representative from the South.

In addition, an outsourced contractor surveys a sample of JEA customers after interacting with JEA employees

to provide ongoing customer satisfaction metrics. Results indicate a consistent increase in post-contact customer satisfaction over the past years.

Internal employee surveys indicate a corresponding rise in awareness and endorsement of JEA's customer service mission and values, confirming the success of its performance management process in driving execution of strategy to the level of every employee in the company.

JEA's CEO Jim Dickenson looks back with pride: "A few years ago, JEA set our #1 strategic company goal to reinvent ourselves as an industry-leader in customer satisfaction. A well-designed, well-managed performance management system has been invaluable in helping us align employee activities with corporate objectives. That has helped us to execute our strategy and reach our goal."

▶ Focus Feature: Simplifying the 360 feedback process

360-degree feedback is a notoriously time-consuming process. But with TotalPerformance technology JEA has made its process much more efficient, and can now offer it to more employees.

CASE STUDY

JEA

One of JEA's challenges was that they had numerous "high-interface" individuals who were consistently selected as raters for a large number of people. TotalPerformance allowed them to efficiently and accurately rate multiple individuals on one screen.

Here's how JEA uses TotalPerformance Visual Profiler to rate multiple individuals at one time:

- People selected to rate others receive a notification e-mail, including a link to the TotalPerformance site.
- Once they log in, one of JEA's 15 competencies is shown on the screen with a complete description of the competency.
- The name of the first individual to be rated pops up, and the rater simply clicks on the name and drags it to the appropriate point on a scale.
- Under the first competency, each individual ratee's name pops up in random order until the rater is finished evaluating all the names on his or her list.
- Then the next competency appears on the screen, and the process is repeated.
- With each rating, raters add comments as required.
- The system compiles ratings and generates a detailed report for each individual, graphically displaying overall ratings as well as self-ratings and ratings from the supervisor and peers. The report can include anonymous text of comments left, as well as more detailed information, such as the employees' rankings in relation to other employees. For administrators, reports can even show information on raters' behaviors, such as the frequency and length of comments left.



For more information, please contact us at +1 650 934 9500, or toll-free at +1 866 768 6825, or via email at sales@sumtotalsystems.com.