



**BUDAPEST
WATERWORKS**



Gold Standard for
Utility Performance

**Worldwide
Water Solutions**

Danube Water Program

Business Planning and Commercial Efficiency Improvement Program



Summary and introduction ⁰¹

As part of the Danube Water Program, “Regional Commercial Efficiency Training Program” for water and sanitation utilities was launched.

The program consisted of capacity building workshops on business planning and targeted technical assistance. The activity started in October 2014 and was completed in October 2015.

Goals ⁰²

The overall objective of the project was to conceptually develop, organize and implement the “regional commercial efficiency in water supply and sanitation utilities training program” activity under the Danube Water Program.

The specific project objectives included the following:

- To design a Business Planning and Commercial Efficiency Capacity Building program for water and sanitation utilities, based on international best practices and existing approaches;
- To take overall responsibility for the delivery of the program, including provision of support to the utilities in improving commercial management practices (bill collection, customer relations, etc.);
- To support follow-up activities, including the drafting and implementation of business plans for participating utilities;
- To document approaches, tools, instruments, lessons learned and good practices in improving utility commercial efficiency during the activity.

KPIs ⁰³

A set of selected Performance Measures and Performance Indicators were selected for inclusion in the Commercial Efficiency Program. This selection was based on an analysis of activities in the commercial cycle of utilities, which can be grouped into four distinct stages:

1) Meter Management: meter installation, maintenance, calibration, this is where the network operations “meet” the commercial activities;

2) Meter Reading: periodically recording and/or retrieving the meter values

3) Customer Billing: data entry of meter readings, data management including assumptions, distributing common needs, etc., and producing the customer bill (invoice);

4) Bill Collection: cash collection, bank transfer payments, and all other means established to make bill payment by the customer as effortless as possible, at a reasonable cost to the utility.

Preparation, time schedule and implementation ⁰⁴

Under the original technical approach and methodology, the Project was organized in two main phases.

Phase I – Development and Delivery of Capacity Building programme

The keystone of the Project was the application of the Business Planning Training Course, the programme included examples based on the international experience of the trainers as well as regional knowledge related to the business planning and commercial efficiency of water utilities in Albania, Romania, Hungary etc.

Phase II – Support to Implementation of Capacity Building Outcomes

At this stage we aimed at providing regular timely and scheduled expert support to assist each utility in complementing its performance Improvement Action Plan in the area of Commercial Efficiency. Two on-site visits by a Key International Expert were organized, aimed at reviewing the Performance Improvement Action Plans developed during the Business Planning Training Course, and at providing recommendations to improve commercial efficiency programs through tailored capacity building.

Goals fulfilled ⁰⁵

The following goals were reached during the program:

- Active participation by the staff of the participating utilities
- Improved Analytical Skills of Utility Staff
- Establishment of adequate commercial procedure in the areas of meter management, customer billing and collection, complaint management