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ELECTRICIDADE  
DE MOÇAMBIQUE, E.P.

# Prospectus: Voice of the Customer

## USAID Sector Reform and Utility Commercialization (SRUC)

**October 2017**

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## Glossary

<b>ACS</b>	Customer Service Areas (Área de Serviço ao Cliente)
<b>AMR</b>	Automatic Meter Reading
<b>ASC</b>	Customer Service Area
<b>BCLV</b>	Big Client Supplied by Low Voltage
<b>CC</b>	Call Center
<b>COD</b>	Operational Distribution Center (Centro de Operação de Distribuição)
<b>CMS</b>	Customer Management System
<b>CRM</b>	Customer Relationship Management
<b>DIC</b>	Commercial Directorate
<b>DSC</b>	Distribution Directorate
<b>EDM</b>	Electricidade de Moçambique
<b>GICO</b>	Corporate Image and Communication Office (Gabinete de Imagem e Comunicação)
<b>HV</b>	High Voltage
<b>LV</b>	Low Voltage
<b>MCC</b>	Meter Control Center
<b>MV</b>	Medium Voltage
<b>OC</b>	Voice Of The Customer
<b>OMS</b>	Outage Management Solution
<b>PERIP</b>	World Bank's Power Efficiency and Reliability Improvement Project
<b>Piquete</b>	Field force crew
<b>SRUC</b>	Sector Reform Utility Commercialization
<b>USAID</b>	U.S. Agency for International Development
<b>VoC</b>	Voice of the Customer

## **1 Introduction and Background**

Electricidade de Moçambique (EDM), Mozambique's state-owned national power utility, is undergoing a large-scale transformation program that aims to make the company financial viable and operationally sustainable. To this end, EDM's current Board of Directors has initiated this fundamental and comprehensive transformation of the organization with a clear vision and a number of clearly defined strategic objectives.

In support of this strategy, the USAID Sector Reform and Utility Commercialization Program (SRUC) Task Order and its implementing partner, Deloitte, assisted EDM to develop a Commercial Metering & Loss Reduction Strategy (hereafter "The Strategic Roadmap") in late 2016. This Strategic Roadmap identified ten initiatives along the meter-to-cash value chain that could reduce commercial losses, improve the operational efficiency of the company's revenue cycle, and enhance service delivery to its customers. From there, USAID and its implementing partner, the Deloitte Team (the Team), are developing a series of prospectuses to provide more detail on high priority initiatives for the company.

The Team held a prioritization workshop with the EDM Chief Operating Officer to establish the following priorities for selecting four prospectus topics:

- Address immediate pain points and generate short term revenue;
- Leverage the World Bank's Power Efficiency and Reliability Improvement Project (PERIP) program with a specific focus on supporting EDM capacity building;
- Improve customer's experience;
- Provide a clear separation between direct infrastructure support and technical assistance from consulting services; and
- Align EDM objectives with donor priorities.

This prospectus, the Voice of the Customer (VoC), is focused on improving customer service, which it explains in detail, in order to showcase potential partnership opportunities with the international development community in Mozambique.

The Team developed this prospectus in conjunction with three other prospectuses, which the Team is also sharing with the development community. One of those prospectus is also focused on operational efficiency, particularly through effective management of field work (which indirectly also contributes to losses management). While these two prospectuses cover operational efficiency, they are distinct and focus on different software implementations and operational areas. Whereby the one prospectus (the Field Force Management, the Piquete), focuses on outage management,

support of call center activities, and the dispatch of work orders; this prospectus (the Voice of the Customer) presents a secondary customer line (different from the normal call center) which is available for customers to raise complaints and ethics issues. This secondary line will receive feedback from the customer and will engage with the different EDM teams to address the issue. This includes: overseeing and supervising the work within EDM (including outages) to completion and providing this feedback to the customer. There is a need for a software that will assist EDM to manage this process for complaints resolution. The other two prospectuses focus on a long-term vision for non-technical loss reduction as well as a strategy for reducing losses in the MV and BCLV customer segment.

This prospectus is structured as follows. It begins with the strategic alignment of this project within EDM's larger transformation. It then provides a more detailed discussion of the problem, key project objectives, and description of the associated activities and deliverables. It then concludes with a qualitative cost benefit analysis and an execution plan.

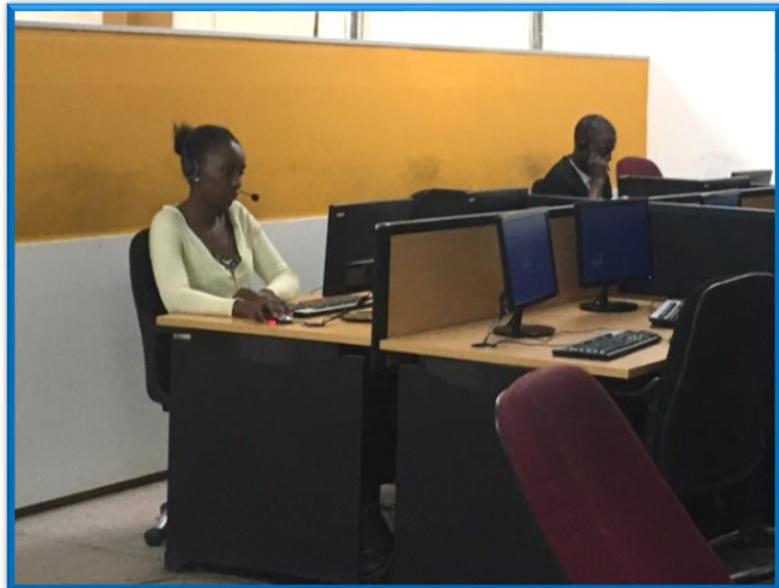
## **2 Strategic Alignment**

EDM's comprehensive transformation and its resulting initiatives, such as increasing tariffs to ensure financial sustainability and undertaking widespread electrification, have resulted in a significant increase in the number of customers and a corresponding increase in customer demands and expectations. EDM is therefore looking for solutions to improve its relationship with its customers and to offer customers a dedicated channel to escalate their complaints or act as whistleblowers.

This Voice of the Customer project is aligned to the transformation goal of improved customer service. It is focused on improving the channel and systems through which EDM communicates with its customers in order to improve its customer service and customer image. EDM understands that, in order to prepare itself to operate as a fully commercial utility, its customer must play a key role in the organization's operational and commercial transformation. Given that, EDM must establish customer-driven operations, greater workforce accountability, and transparency around how customer complaints and ethical issues are addressed within the organization.

This Voice of the Customer prospectus helps establish a dedicated channel through which customers can provide their feedback regarding the services they were offered, the quality of a complaint resolution, or to utilize as a touch point with EDM.

Any feedback received directly from customers has to be managed and channeled in a way that is valued by the customers themselves, rather than driven by EDM's status quo. These types of efforts help move EDM closer to a more customer-centric approach to doing business, a central tenet of its transformation goal.



The proper design, selection, and installation of a customer relationship management (CRM) solution underpins the success of this initiative along with an ethics channel and a customer complaints management solution. EDM should implement the CRM together with automated business processes, adequate staff training, a realigned organizational structure, and an improve piquete which has the tools and resources to carry out its job effectively.

### **3 Current State Assessment**

EDM receives customer requests and complaints through two channels:

- The Call Center (CC) – which allows customers to raise their complaints directly to the company. The company intends the CC to be focused on addressing customers' day-to-day operational issues, such as new connections, outages, questions on quality etc.
- "*Provedor de cliente*" (Customer Service Provider) telephone line, which is managed by the Corporate Image and Communication Office (GICO). This is a dedicated line reserved for higher-level and repeated customer complaints. This line is different from the traditional CC, in that the company intends it to be an escalation channel for when the customer feels that conventional channels like the CC are not working. Typically, for a client to use this channel s/he needs to demonstrate that s/he has explored the traditional mechanisms and not received an adequate. The

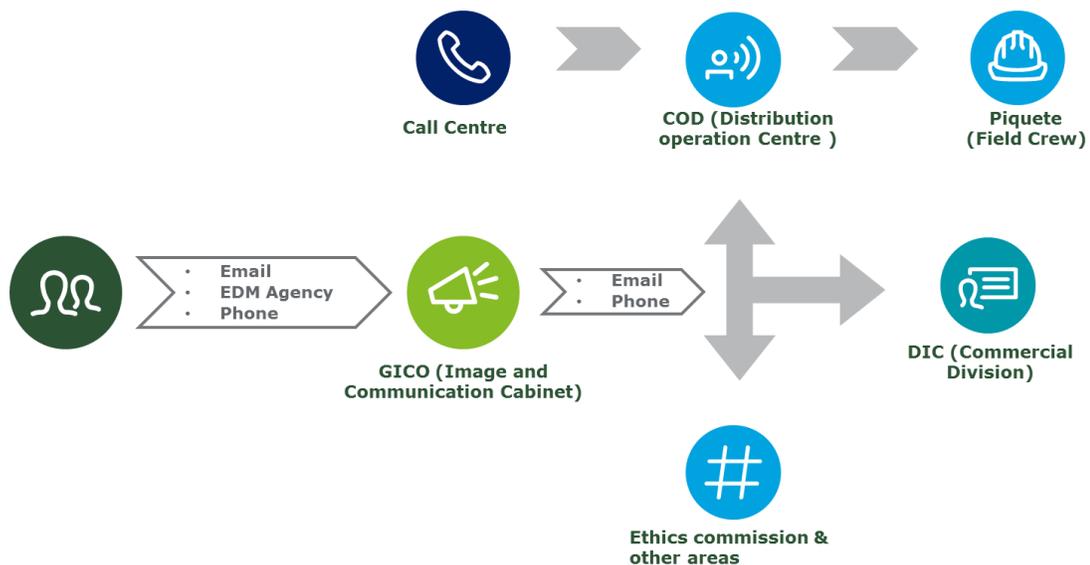
company intends this channel to be a watchdog for the traditional channels that holds the organization accountable.

It is critical that these two customer engagement mechanisms remain separate. Furthermore, it is important EDM has the ability to segment feedback by the types of customer concerns coming in to the company.

There are three channels available for customers to engage with GICO:

- Email - Most customer complaints received via email are related to billing problems or delayed response.
- EDM office - Some customers prefer to have a personal interaction with EDM to present their complaints and have a discussion.
- Phone line – Most customer complaints received via phone are related to problems that have not solved been by the field force (i.e. Piquete). These represent the majority of complaints received by the company.

The figure below illustrates how EDM's customer service team currently receives customer requests and how EDM process the complaints.



EDM has historically used public awareness campaigns to promote the use of the complaints line, including the distribution of flyers and posters as well as advertising on television and in the national newspaper. Information regarding the complaints line is also available on the EDM website. The campaigns have recently stopped, however, due to their high costs.

The GICO team currently tracks complaints using excel files with basic information and engages with other internal departments via email since there is no centralized system to manage the complaints process end-to-end.

From January to July 2017, the company received 695 complaints and requests. While this number has decreased in the last few months, the company speculates this is because the line is losing credibility with customers and because the company has been unable to promote it properly.

The table below illustrates the number of complaints, categorized by channel, received on the line in the past several years.

<b>Type</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
<i>Number of complaints received</i>	<b>2258</b>	<b>2526</b>	<b>695</b>	<b>5479</b>
<i>Complaints forward to COD</i>	2059	2346	588	<b>4993</b>
<i>Commercial complaints</i>	199	180	107	<b>486</b>
<i>Complaints reported on EDM agencies</i>	2	8	5	<b>15</b>
<i>Complaints received via email</i>	86	79	46	<b>211</b>
<i>Other type of complaints</i>	128	34	27	<b>189</b>

From the table above, it is clear that most complaints received by GICO are related to issues customers experience with the COD (mainly outages). This means that it is important for GICO to work more closely with the COD and the Call Center to resolve those issues.

EDM also faces significant challenges on how it processes ethics inquiries and reports of bribery and corruption. The company has an Ethics Committee, which receives information on potential ethics violations from the following sources:

- EDM administrators;
- EDM employees, whereby employees can only report issues by calling the head of the Ethics Committee directly;
- The media; and
- Cases received by GICO.

The Ethics Committee currently publicizes an ethical code for all company employees with instructions on the process for reporting potential violations. From January to September 2017, it did not receive a single report from an employee on a potential issue.

Although EDM has several ways it could potentially receive reports of ethics violations from its customers, it currently does not have an official channel through which it can receive pointed issues directly nor does it have established internal policies for that purpose.

There are cases where customers report complaints and ethical issues through the call center. However, the call center is a line where the focus is on receiving outage reports and to forward these requests to the COD, therefore, the kind of complaints this solution aims to resolve as well as escalation of ethical issues are not adequately addressed.

#### **4 Problem Statement**

Given this current state, this prospectus aims to help EDM establish the operational framework, automated processes, supportive technology solutions, and comprehensive staff culture changes it needs to respond more effectively to the voice of its customers. To do so, it will need to address the following challenges.

- Lack of a mechanism to elevate ethics issues: EDM needs to re-enforce ethical values within the company to address external concerns related to cases where:
  - Members of staff take bribes from customers;
  - The staff uses EDM's name to gain advantage outside of the formal company business;
  - Customers have the perception they need to pay bribes in order to have problems solved; and
  - No channel exists for clients to raise ethics concerns for internal analysis and immediate action.
- An inability to escalate customer complaints: EDM customers feel helpless and frustrated when they contact the CC multiple times without any substantive status updates. The CC is unable to produce specific information on the status of a request because it does not have visibility or a mechanism to request information from field crew's activities. Given this, EDM customers resort to contacting management level staff directly in the hope of speeding up the resolution of their concerns.

The analysis of EDM’s current challenges to address customer satisfaction included meetings with the EDM general distribution department (DGD), the GICO, the CC, the Ethics Committee, and the advisors to EDM’s Board of Directors.

These challenges manifest themselves in term of the company’s strategy and governance, processes, people, and systems.

#### 4.1 Strategy and Governance

A reorientation to better incorporate the voice of the customer has to begin with the company’s strategy and governance for its critical customer segments.

Issue	Description
Unable to focus on customer segments	<ul style="list-style-type: none"> <li>• Customer perception of EDM’s ability to address its issues is poor, significantly affecting EDM’s reputation.</li> <li>• EDM is unable to distinguish between whom it is serving and responding to at the CC and COD. Every customer is treated the same.</li> <li>• EDM’s CC and COD receive a significant volume of calls and are unable to address all calls in the same day, so most are addressed the following day. EDM estimates an average of at 3,500 calls per day.</li> </ul>
Complaints	<ul style="list-style-type: none"> <li>• The customer does not feel in control of the process. Typically, customer service tickets are not differentiated, get lost in the system, and CC employees are unable to provide updates.</li> <li>• Customers feel that EDM only addresses issues once they are escalated to management. EDM workforce is more accountable when management directly instructs employees how to resolve issues.</li> <li>• There is a central versus decentralized governance challenge. Issues channeled via central channels, such as the CC and COD, are not prioritized over regional issues, since the local workforce is accountable to regional leaders and not to central structures. This results in significant issues in prioritization, external perception, and an ability to resolve complaints.</li> <li>• With automated smart meters being deployed to EDM’s high-value customer segments (HV, MV, and BCLV customers), there is a risk that outage problems will aggravate customers. If significant problems occur, EDM</li> </ul>

Issue	Description
	will not have the processes in place to respond adequately to these customers.
Lack of transparency for ethical issues	<ul style="list-style-type: none"> <li>• Significant corruption exists in EDM; customers feel helpless and that they need to either bribe or know an EDM employee for their issues to be addressed.</li> </ul>
Lack of detailed operating model for managing complaints, and an ethics solution	<ul style="list-style-type: none"> <li>• EDM has not yet defined a detailed operating model for the complaints line, ethics line, CC and COD that empowers the customer. This operating models needs to define customer-centric standard operating procedures, associated governance structures, indicators, reporting, and detailed job profiles.</li> <li>• EDM must define key performance indicators (KPIs) such as levels of service (i.e. how different customer segments are served), problems categorization (i.e. types of problems EDM customers complain about), issue resolution time (i.e. how long customers wait for their issues to be addressed), and other performance indicators related to EDMs ability to address customer complaints.</li> </ul>
Lack of accountability of issues reported by GICO	<ul style="list-style-type: none"> <li>• GICO does not receive feedback from the other teams that are ultimately responsible for solving the issues. As a result, they are unable to provide information to customers. This has deteriorated the credibility of the Customer Service Provider line.</li> </ul>
Deficient use of the line (Customer Service provider)	<ul style="list-style-type: none"> <li>• Customers use the Customer Service Provider line (complaints line) incorrectly instead of the traditional CC channel. Customers should only use the Customer Service Provider line after attempting to resolve the problem through the conventional channels. Customers should not utilize this escalation channel without first proving that they contacted the other channels. Since there is no system in place to track the requests submitted via the normal Call Center, the complaints line is unable to implement a process whereby customers are forced to first attempt to resolve their issue via the normal Call Center channel before escalating their issue via the complaints line.</li> </ul>
Lack of trust on confidentiality of the ethics committee	<ul style="list-style-type: none"> <li>• EDM believes that the employees do not report issues to the Ethics Committee because there is a lack of trust that the information is not going to be confidential.</li> </ul>

## 4.2 Processes

The performance of the staff is strongly dependent on the successful implementation of the supporting operating model.

Issue	Description
Data quality issues preventing effective processes	<ul style="list-style-type: none"> <li>• There are data quality issues in the CMS solution, which does not allow it to operate adequately. The CC and COD agents cannot rely on address information or the customer contact details in the CMS system; as a result, they can only use meter numbers to identify customers. Furthermore, the current process does not allow these operators to update the information in the CMS, which results in the persistence of poor data quality. As such, the operators prefer to use the Howard Johnson ticketing system<sup>1</sup>, which is the system currently used by the Call Center.</li> <li>• The Complaints team should have full visibility and reliable information pertaining to the status of outage resolution from the Call Centre and the COD.</li> </ul>
Process limitations	<ul style="list-style-type: none"> <li>• The customer complaints process is unclear and undocumented both for the customer and internally.</li> <li>• Customers and EDM staff are unable to associate a CC reference number or ticket reference number with a dispatched work order.</li> <li>• EDM takes significant time to address applications for new connections.</li> <li>• Customers do not have a process or an escalation matrix for raising their issues.</li> <li>• There is limited external transparency in the management of work orders.</li> </ul>
All issues get escalated to management as there is no filtering process	<ul style="list-style-type: none"> <li>• Customers have no systematic mechanism to escalate issues to the company, and, therefore, often rely on bringing problems directly to management. There is a need for a filtering system that allows customers to escalate issues only after they can demonstrate that they have submitted their issue through a formal complaints system.</li> </ul>

<sup>1</sup> EDM and its staff refer the system with this nomenclature, so the Team has mirrored that language in the prospectuses. It is a software system operated by an outsourced company called Howard & Johnson.

### 4.3 People

EDM must address numerous key challenges at the human capital level, primarily centered on ensuring accountability and changing the culture to a more customer-centric orientation.

Issue	Description
Lack of a customer-centric culture	<ul style="list-style-type: none"> <li>• It is not clear to customers how to raise or escalate their issues and complaints.</li> <li>• There is no differentiated customer service depending on the customer segment.</li> </ul>
Poor accountability	<ul style="list-style-type: none"> <li>• A poor process definition has resulted in limited actual accountability.</li> <li>• EDM has not yet defined roles and responsibilities of the teams that will support the high-value customers.</li> <li>• EDM has not defined any staff performance indicators.</li> <li>• There are limited consequences to not addressing customer issues in a timely manner.</li> </ul>

### 4.4 System

As a company, EDM has a long history of challenges concerning the deployment of technology solutions and systems integration.

Issue	Description
Current systems are not operational and siloed	<ul style="list-style-type: none"> <li>• EDM does not have an effective end solution for managing complaints and whistle-blowing incidents.</li> <li>• EDM's contract for the Call Center software management tool has expired, and the company must find a new software solution.</li> <li>• Current solution does not allow for holistic management of customer complaints.</li> </ul>
Use technology to improve operational processes	<ul style="list-style-type: none"> <li>• GICO does not have technical solutions to track the resolution of each problem.</li> <li>• It is not possible to relate the customer's complaints with existing service orders within the CC.</li> <li>• There is limited processes automation in the software systems. Since tracking process is manual, staff are not held accountable for lack of progress rectifying an issue.</li> </ul>

Issue	Description
	<ul style="list-style-type: none"> <li>• Technology solutions may not be scalable; its currently unclear if the architecture can support a large influx of customer complaints.</li> </ul>

## 5 Solution Guidelines

To overcome these identified problems and challenges, EDM is considering an integrated solution for the Voice of the Customer that builds on the activities below:

- Establish an automated process for customer issues (both complaints and ethical issues) whereby the new governance and processes allow customers to escalate their issues effectively within EDM’s structure, until it reaches the CEO if necessary, ensuring that all the respective departments are held accountable through the process.
- Roll out a complaints and ethics management solution, which should be operational in four months. This solution will not offer the same functionality as the Call Centre and OMS solutions, which focus on managing operational tickets and associating work orders to completion. Instead, it complements these solutions by focusing on managing the customer relationship by offering them a channel to interact with EDM to raise their issues and concerns. It will not integrate with existing systems. It should deliver the following:
  - A customer complaints operating model embedded within EDM, which includes:
    - The organizational structure and associated governance to handle customer complaints and ethical issues;
    - A new business model that disaggregates centralized versus decentralized functional operations;
    - Customer-centric processes for escalation (eventually to the CEO), prioritization, and standard responses to different categories of customer issues;
    - Defined KPIs and clear responsibilities for the complaints team and the ethics team, which should report to the CEO.
  - The technical solution with functionality for managing the end-to-end complaints process and ethical inquiries.

## 6 Project Key Objectives

The customer ethics and complaints solution is aligned to the guiding principles EDM defined to prioritize its transformation projects (e.g., operational criticality, strategic fit, financial impact, technical feasibility, and implementation simplicity). Within those principles, it targets the following key objectives:

- Design a new customer relationship channel specification;
- Invest in customer data classification;
- Implement a new customer service channel system;
- Structure a new team to support the new customer service channel to be in regular contact with customers;
- Define specific training programs to develop EDM's employees; and
- Develop procedures that detail this new flow of information.

## **7 Description of the Potential Deliverables**

Given these project objectives, EDM defined the following activities and deliverables aligned to each objective above.

### **7.1 Deliverable #1: Functional Design for a Customer Relationship Channel**

EDM should carry out an assessment to evaluate the functionalities and structure needed for a new customer relationship channel. The assessment should detail the requirements of the each technology available to customers as a communication channel (telephone, email, SMS, chat, etc.) and take into consideration the following factors:

- The local culture and languages;
- The appropriate degree of process automation given EDM's market maturity;
- Volume of service; and
- Necessary infrastructure.

In the structure of the tool, it will be necessary to define which EDM divisions are responsible for providing information to answer customers' complaints and requests.

### **7.2 Deliverable #2: Customer Data Classification**

Define three levels of classification (low impact, moderate, critical) to assist in registering customer feedback. Depending on the type of feedback, different prioritization and escalation channels will apply to how the feedback

moves forward. Data classification keys must be updated, improved, and optimized frequently to address shifts in the market.

This data classification should take into account demographics and customer characteristics for each type of customer segment. There are significant differences in the way a utility should engage its industrial clients versus its residential households.

The objective of the data classification is analyze the type of complaints per customer segment to improve EDM's strategy, outreach, and engagement.

### **7.3 Deliverable #3: Implementation of a New Customer Service Channel System**

This deliverable would include the development and implementation of a system to support the new customer complaints and ethics line after EDM's validation of the functional design (in the deliverable above). The system should include the following criteria:

- Broad-based outreach to customers using a variety of different methods (i.e. phone, social media, in-person);
- A way to evaluate the system's performance 30 days after its begins operation;
- Track request received by the new customer complaints and ethics line; and
- A way for EDM to customize and change the modules based on those results.

### **7.4 Deliverable #4: Structure Supervising Team**

Structure a new team that will directly support the new customer service channel and manage client relationships. The team will have the following objectives:

- Evaluate and analyze customers' complaints, requests, and whistleblowing;
- Log and dispatch to the different EDM divisions responsible for answering the requests;
- Track customers complaints;
- Draft and tailor the final answer provided to customers;
- Prepare summary and operational reports; and
- Obtain customers' feedback about their requests.

## **7.5 Deliverable #5: Specific Training Program**

This new solution and the corresponding tool will change the way EDM relates to its customers, which will therefore require specific customer service training programs. These capacity-building sessions need to go beyond just the use of the new tool, and should help prepare its staff to properly engage and conduct themselves while using this new service channel.

This training should also focus on people skills and help employees understand how to manage difficult situations, distill the most important parts of customer complaints, message the company's commitment to transparency, and engage authentically and in a helpful manner.

## **7.6 Deliverable #6: Procedures for System Information**

Develop procedures that detail the flow of information used to respond to the following:

- Standard customer complaints;
- Decision levels that depend on the complexity of the complaint; and
- Monitoring commitments EDM makes to its the customer.

Ideally, the tool itself will have deadline alerts for dates staff can provide to customers to demonstrate a concrete path forward to them on their requests.

## **8 Overall Project Benefits**

The successful implementation of these six deliverables can potentially create the following benefits for EDM:

- Better understanding of typical customers problems;
- Improved customer satisfaction;
- Increased company transparency for society;
- Reduced corruption;
- Changed company culture;
- Improved EDM brand;
- Reduced time to solve outages through added follow-up; and
- Added external transparency for the organization.

## **9 Cost-Benefit Analysis**

This cost-benefit analysis models mostly qualitative business benefits and includes detailed description of the associated costs required to implement the recommendations. This is because the project targets subjective benefits that

are not easily quantifiable in terms of a financial benefit, but are still critical to EDM, such as customer satisfaction, operational transparency, improved organizational accountability, and improved customer service.

This project is a building block for EDM, as it will help to identify opportunities for revenue enhancement and for loss reduction. More specifically, this project helps the company begin to substantiate the business case for internal changes that can remediate big issues that impact customer engagement and satisfaction.

As such, this tailored cost benefit covers the following components:

1. Estimate a basic **cost reference** which considers the designed components;
2. Demonstrate how the project contributes to **revenue increase**
3. Demonstrate how the project contributes to **loss reduction**
4. **Qualitative benefits** of implementing the solution

**9.1 Cost Reference**

Based on previous, similar EDM projects and reference data from benchmark international projects, the total estimated cost to implement this project in the main regions in Mozambique (Maputo, Beira, and Nampula) is USD \$410,000. This considers the associated physical assets, human assets, and technical assistance.

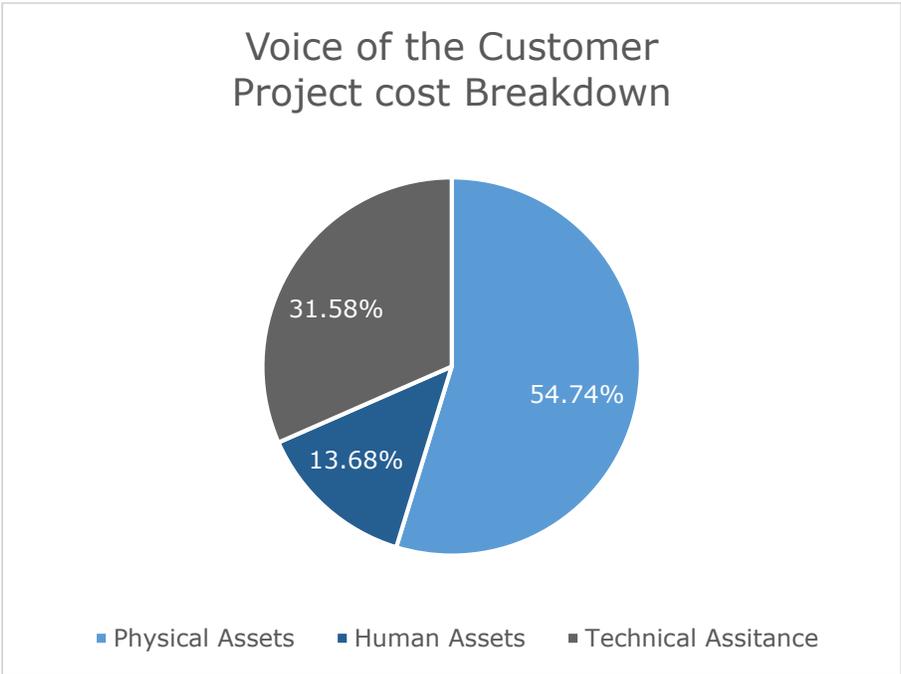
The Team used the following cost structure to arrive at this estimation:

- Cost of physical assets required (such as IT systems, software, devices, and equipment).
- Cost of enabling human assets (such as staff training, professional standards, and certifications).
- Cost of technical assistance, including project management, designing processes and systems, verification, and implementation assurance.

Category	Costs (\$ 000s)	Details	Costs Percentage	Assets/TA Ratio
Physical Assets	110	• Customer’s ethics line	23.16%	68.42%
	110	• Customer’s complaints system	23.16%	
	40	• Hardware/Equipment	8.42%	
Human Assets	65	• People development and support	13.68%	

Category	Costs (\$ 000s)	Details	Costs Percentage	Assets/TA Ratio
Technical Assistance (TA)	150	<ul style="list-style-type: none"> <li>• Technical operational procedure development</li> <li>• KPI definition</li> <li>• Logistics guidance and orientation</li> </ul>	31.58%	31.58%
<b>Total</b>	<b>410</b>		<b>100.00%</b>	<b>100.00%</b>

The figure below illustrates the breakdown of cost by main categories.



**9.2 Qualitative benefits**

The focus of the prospectus is to primarily drive the following benefits:

- Improving customer satisfaction by better enabling customers to find information on how to contact EDM and raise matters related to EDM employee behavior, service experience, or improvement areas.
- Providing customers with an easy to use alternative channel (digital and phone number) to interact with EDM, which can provide new ideas and suggestions for improvements that might not have been otherwise considered.
- Better understanding root causes of complaints through more efficient historic analyses with better quality data. In turn, this will allow EDM to

prepare for future improvements, anticipate future customer needs, and provide a faster resolution for common customer complaints.

- Improving internal communication and accountability on how the organization mobilizes itself to address and resolve customer complaints.
- Empowering staff to make immediate decisions through a systematic approach that improves their ability and confidence to resolve reported issues.
- Ensuring adequate follow through to complaints through adequate governance, processes, systems, and qualified staff to help improve the perception of EDM brand as a company that not only listens to complaints, but also has the capabilities to ensure action.

### **9.3 Indirect quantitative benefits**

This prospectus can have an indirect quantitative impact on the following components of EDM's operations. Given the qualitative nature of this prospectus, these quantitative benefits do not arise immediately from the project activities and deliverables, but rather come through as secondary and tertiary impacts.

#### **9.3.1 Revenue increase**

This project can increase EDM's revenue in the following ways:

- Identifying customer breakpoints by listening, analyzing, and acting on customer feedback;
- Mitigating commercial losses by proactively engaging customers and dis-incentivizing them to turn to theft;
- Repairing damaged relationships by proactively reaching out to displeased customers; and
- Turning complaints into ideas for driving continuous customer service improvement and services.

#### **9.3.2 Loss reduction**

This project can decrease EDM's costs in following ways:

- Reducing complaint volumes by implementing a robust root cause analysis and corresponding program to fix issues. A thorough root cause analysis can help EDM mitigate complaints at the source and provide significant cost reductions, as well as lasting customer service improvements. Under this rubric, EDM should establish dedicated teams to fully understand the most common complaints and investigate their causes.
- Prioritizing and tackling root causes one by one, leading to lasting improvements in customer service by preventing the recurrence of issues.

- Building effective and efficient complaint management processes to reduce customer service costs.
- Reducing the cost of re-work and duplication, given that recurring complaints often require repeated operational actions; with improved efficiencies and tracking, EDM can significantly reduce this cost.
- Centralizing complaint management processes and procedures across all processes.
- Improving customer experience during the complaint process with low-cost, high-touch channels (such as social media, mobile, and email) that help customers quickly and easily communicate their issues.
- Measuring the effectiveness of different complaint channels by gathering direct customer feedback to guide future investments and decisions.

## 10 Execution Plan

The successful implementation of the Voice of the Customer project program builds on six key milestones in close collaboration with EDM. The active participation of the EDM commercial team is critical for implementing the new program and converting customer insights into decision-making material for senior management.

The Team estimates a five month of performance for this project. The potential project calendar below illustrates the different project phases over that period.

*Illustrative*

Activity Name	Estimated duration (In Months)				
	M1	M2	M3	M4	M5
Functional Design for a New Customer Relationship Channel	█				
Customer Data Classification			█		
Implementation of a New Customer Service Channel System		█			
Structure Supervising Team			█		
Specific Training Program				█	
Procedures for System Information				█	