CAP Board Customer Service Taskforce Discovery Phase Feedback Report

EXECUTIVE SUMMARY

The purpose of the Discovery Phase (January – mid April, 2018) was to collect stakeholder inputs from multiple sources by listening to them from a neutral, non-judgmental stance. The output describes the key themes identified by the stakeholder inputs that lead to excellent customer service and the key themes that cause deficiencies in customer service. By examining these themes, the Customer Service Task Force will see possibilities for process improvement. The two focus questions were:

1. What is going well that leads to positive outcomes?
2. What can be improved in the process to reduce deficiencies?

The sources of the feedback were 4 focus groups, 40 stakeholder interviews, 71 public survey respondents, consultant's observations and a review of existing documentation from CAP. Recommendations for solutions are not included in this report. Solutions will be identified and prioritized by the Customer Service Task Force based on the data from the Discovery Phase.

FOUNDATION

Feedback Lenses

To set the context of this report, a set of lenses or basic principles were used. The lenses capture the obvious and less obvious dynamics surrounding the issues. They help us to see two dimensions of these dynamics: The technical/organizational dynamics and the human dynamics. It is common for organizations to focus only on the technical/organizational dynamics and to miss the human dynamics. The following lists highlights of how the data were seen from the researcher's perspective:

1. We live in a world of **disruption** and uncertainty. "If you have not disrupted yourself, someone else *already* has." (Dr. Peter Hawkins, Henley School of Business, UK) The only thing more painful than changing is not changing because disruption in today's world is a given.

2. Organizations are **living systems** that form, change and **evolve through phases** over time. From start-up to maturity, each phase demonstrates a set of characteristics that indicate what level or phase it is at.   Given CAP is not in start-up phase, this current disruption can be viewed as either an impasse or as the next stage of evolution for CAP. CAP is at a crossroads; to change or not to change is an important question.

3. The CAP system consists of its Board, the CAP Organization and its various Stakeholders. Therefore, change must be driven and supported by not just CAP, but by the Board and its key Stakeholders. Systems thinking means that change cannot be made in one area without all others being impacted. The Arizona water community consists of **multiple ecosystems** of organizations with their multiple Stakeholders. This means that multiple organizations will be impacted by any changes made in CAP. Each ecosystem may have

its own goals and constituencies, but all share one common objective: A sustainable water resource.

4. **Feedback** is not a report card, but, an opportunity for the **growth and evolution** of the entire water community system, not just one organization. A growth mindset was used to examine the technical and human dynamics. Feedback makes the invisible visible. We cannot fix what we cannot see.

Common Ground

Even though CAP and its Stakeholders may feel they are at an impasse, there is common ground that all share that provides a stepping stone to the way forward. The following points surfaced from conversations in focus groups and interviews:

1. **Shared values** of Trust, Fairness, Truth, Transparency, Collaboration, Concern for our Future Environment, a Vision for a Participative Conversations, and Having a Voice.

2. **Operational and Maintenance Excellence** is a given; to be celebrated as a positive and as a building block for improvement.

3. All parties want **CAP to succeed** or we will all fail.

4. The **value** of what CAP brings to AZ Water Community is recognized and respected.

5. **All parties are uncomfortable** with the current state of fighting and mud-slinging. Verbal comments have described a sense of shame and embarrassment about what has happened.

6. All **desire the resolution** of this problem as soon as possible, before it is too late.

7. The problem is at the **systemic level**: All have contributed to it. All have felt hurt by it. All will be required to solve it.

How Did We Get Here and What is Keeping the Dynamics in Place?

Why is it that seemingly good smart people get caught up in poor behavior that closes collaboration and constructive communication? The Conversational Dashboard of Resistance to Co-Creation explains the dilemma:
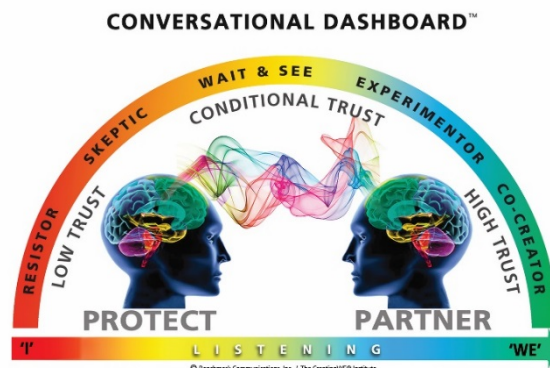
CAP Board Customer Service Taskforce Discovery Phase Feedback Report

The bottom line of this dashboard is that when people feel threatened due to perceived scarcity, uncertainty and verbal attack, rational thinking shuts down.   People move into protect mode on the left (in .07 seconds) and fight, fly or freeze.   Biologically speaking, rational thinking shuts down and trust does not exist. Over the course of the last two years, things were said, trust was broken, and relationships challenged to the point where problem-solving and collaboration are now at a standstill on multiple levels. The only way to move from the I-Protect side of the Dashboard to the WE-Co-Create side is to choose to build a Foundation of Trust. We build trust when we take the time to listen, see and understand what the other party not only says, but how they feel and are impacted. **(See Appendix 3 for tools to help build trust)**

FINDINGS

Part of the Discovery Phase approach is to link this effort with the CAWCD 2016 Strategic Plan to understand the broader context and how solutions will fit with other areas of focus. These include the *Leadership and Public Trust* section of the Plan which applies most closely to the charge of the Task Force, especially in the *Relationships* Issue, with two Objectives to:

>-Improve relationships with Customers and Stakeholders
>-Improve relationships with constituents and the public at large

The good news is that the Stakeholder inputs received indicate that they have noticed the outreach effort and it is a good first step. The challenge is that the outreach has been mostly perceived as CAP telling its own story, with unclear intent or follow up, and not enough listening by CAP to gain the customer or stakeholder perspective. The customer's voice is lacking. It is as if the input jack to the organization has been broken, or perhaps taken for granted. During times of abundance, it was likely assumed that all were listening.

High Level Survey Results – (See Appendix 1 for survey questions)
The next two paragraphs describe a high level overview of Public Survey results. The survey questions were provided in two sections. The first were questions regarding the Board. The second were questions regarding the Staff. The results include what scored high, what scored low, and where there is a perception gap. These gaps are examined between the Board's perception of itself and how others perceive them, and the Staff's perception of itself and how others perceive them.

Board: Whereas the Board is very respectful and polite, treating Stakeholders with respect in public situations, they are not perceived as valuing all customers. Nor are they seen as taking in the Stakeholder's feedback to make improvements. Stakeholders believe that their voices do not count and that responses to their requests and concerns are not being fairly and fully addressed. The Board believes that they are more customer-friendly than they are in the eyes of their Stakeholders. The Board listens politely (behaviors and attitudes), but according to the

average of respondents, Stakeholders believe the Board's actions do not demonstrate the respect and support needed for Customer Service.

CAP Staff: All things related to operations and maintenance received excellent or near excellent marks. The staff responsible for water delivery and maintenance are highly respected by the Stakeholders (Timeliness and Ownership). However, the Survey responses show that Staff does not value the customer or listen and act upon customer feedback satisfactorily. In the eyes of the Stakeholders, operations and technical processes work well, but relationships outside of water delivery do not work well. The Staff believes it resolves problems well, but the customers do not. The Survey responses show that several, but not all, members of CAP Staff fall short in the areas of problem-solving, understanding customers, listening to their needs and taking in others' viewpoints and perspectives. The Staff believes they value each customer, but the customers do not feel valued. These concerns reflect more in interactions with upper level staff and senior leaders, not at the operations or lower levels of interaction.

Common Themes
This section reflects common themes across all areas of inputs, combining interview, focus group and survey data. Common themes are divided into two lists: those that are within the scope of the Task Force (process-based), and those that are outside the scope. While the Task Force won't be considering solutions for out-of-scope themes, it is important to hear and be aware of this feedback and to address them in the future. Tables with details for both in-scope and out-of-scope themes are found in **Appendices 2a and 2b.**

Themes that are In Scope (See Appendix 2a)
1. **Attitudes/Behaviors:** Board and Staff believe that they work hard to demonstrate professional and respectful attitudes and behaviors. However, not all Stakeholders see this as a consistent behavior.

2. **Delivery/Execution:** Technical and operational functions are strong. There is feedback to tweak processes to be as proactive as possible when predicting outages or changes.

3. **Customer and Stakeholder Relationships:** Stakeholders feel that relationships are working well at the lower and operational levels of CAP. Both Staff and Stakeholders described how they are able to be more effective in their work together by making agreements at the lower levels. Relationships work well when Stakeholders are asked for input early and often. Staff at all levels, the Board and Stakeholders alike have described how interactions and outcomes are better when CAP Staff say less, listen more and seek to understand. Effective processes are blocked when Stakeholders feel put down by CAP Staff, and when the customer's voice is not sought or heeded.

4. **Outreach/Communications/Listening:** Stakeholders reported noticeable improvement in frequency and variety of outreach. Use of the working group process of informal conversation is reported as especially effective. Working groups are successful when Staff encourages interaction, asks questions and listens, which to assists with open thinking for creative possibilities. Stakeholders would like to see Board members visiting the communities and touring water operations so that they can learn and see what things look like on the ground. In Stakeholder meetings, Customers report that they struggle when they experience communication by Staff as a one-way data/information download with no connection to the audience's emotions or concerns.

5. **Collaborative Problem Solving:** Stakeholders believe collaborating on problem-solving and planning for the future is essential. This is aided when their involvement is sought out and their concerns are heard. Stakeholders gave examples of times when they felt like they were being closed off and that their ideas and alternative ways of thinking were being shut down, which makes the problem-solving process less effective.

6. **Decision Making/Policy Deployment:** Stakeholders believe that they should be involved early and often as a key to successful decision making and policy deployment. It is less effective when Stakeholders do not feel fully heard, and that impacts of a decision on them or their constituencies are not carefully weighed. Stakeholders believe that the Decision Making and Policy Deployment are confusing and not transparent to them. They used the term "black box" to describe their perceptions that information is hidden or not transparent. Tribes believe that there is a hole in policies when they have not been included in agreements.

7. **Board:** The Board and certain Stakeholders believe that the Board and Staff have accepted the current challenges as an opportunity to grow and improve. Board members have commented on how much learning has taken place on all fronts. One blind spot is that, while the Board and Staff believe that they work hard at reaching out, Stakeholders still do not feel fully heard or understood.

8. **Staff:** Across all Stakeholder groups there is no question about the strength of the CAP Staff. All are viewed as highly capable and committed to their work. Both internal and external Stakeholders state that the current water community dynamics are challenging the Staff in ways they have not been challenged before. Said in various ways, internal and external Stakeholder groups believe that the Staff must learn to navigate not just with their technical expertise, but with their relationships and human aspects of interaction.

Themes that are Out of Scope (but still important to hear) (See Appendix 2b)
The following things are out of scope because they deal primarily with organizational and structural considerations, requiring more time to address, which is beyond the horizon of this Task Force.

9. **Purpose and Identity:** The data, which are a snapshot of feelings at this point in time, show that lack of clarity of purpose and roles and how various components of CAP define their identity and scope are at the core of many of the problems facing the organization with its Stakeholders.

10. **Structure and Roles:** According to the many comments from Stakeholders regarding Board, Staff and CAGRD, there is confusion and misunderstanding about roles clarity and the relationships between roles. The challenge, according to Stakeholders, is in how to balance conflicting goals and where CAGRD, along with its Board, fits in the organizational structure.

11. **Power/Control/Trust:** This theme is related to numbers 9 and 10 above: Purpose/Identity and Structure/Roles. Both external and internal Stakeholders described how, in the beginning, the structure and purpose of CAP were formed by the water community and were trusted at that time. There is common agreement amongst Stakeholders that since the beginning, many things have changed. Stakeholders acknowledge that there is currently a low foundation of trust, which fuels uncertainty and conflict. Many of the data points suggest that a review and clarification of structural and authority definitions will help open communication and rebuild trust.

12. **Culture Change:** Given changes in CAP Leadership, Staff, new Board members and today's challenges, much has changed inside of CAP. The changes may not be obvious to those external to CAP. Stakeholders describe the need to move from being internally focused to more externally focused; from being more fixed in the past to being more adaptive to how times have changed. The length and depth of change described by the Stakeholders is why this is the last, but not least, of themes that are out of scope for the current Task Force. Culture Change considerations will impact the organization's next Strategic Planning Process.

    Consultant's Note: Given the pace of change and the disruptive world that we live in, very few organizations are immune from being impacted by change. They can be changed by external forces and by internal intentional process. Changing an organization's culture does not happen overnight. While some process improvements can be accomplished immediately, other types of change take much longer. Most happen through incremental steps. Lasting change is measurable and occurs in an evolutionary manner. The process requires a letting go of the past, a destination, a plan to get to the destination, and committed leadership to guide the workforce through the

journey. All involved must be dedicated for the duration, which will continuously evolve.

The data from this Discovery Phase points to the need for changes large and small, immediate and long term. CAP and its Board hear and recognize the challenge. A thorough consideration of the Culture Change theme that includes the customer's voice and the most recent lessons learned is an important framework for decisions that the CSTF will make. Regardless of which focus areas are chosen, the improvements made to Customer Service will be most effective if they become part of CAP's culture.

CONCLUSION AND NEXT STEPS

CAP and the Board are seen as strong, capable and highly committed to their work and the well-being of Arizona's precious water resources. Issues exist in behaviors, relationships, communication, collaboration and decision-making. The Task Force will consider these issues and decide the main areas of focus for improving Customer Service processes. The Task Force will define strategies and actions to address the focus areas.

Other issues that are out of scope for this phase of the Customer Service Task Force are important but will take longer to address and resolve. They are Purpose, Identity and Organizational Structure. A Culture Change that reflects the current disruptive environment, including scarcity, will require not just change within CAP, but within the entire Arizona water community.

Respectfully,
Jeanne Schulze and Associates, LLC
Jeanne Schulze, Greg Crook, Diane Houlistan, Diane Janovsky

APPENDICES:

Appendix 1 – Survey Questions
Appendix 2a – Common Themes In Scope
Appendix 2b – Common Themes Out of Scope
Appendix 3 – Tools for Building Trust:

- Conversational Dashboard
- Establishing a Foundation of Trust
- Conversational Intelligence Matrix
- Voice of the Customer
- Shifting from Power-Over to Power-With Leadership

CAP Board Customer Service Task Force Survey

The purpose of this survey is for CAP's stakeholders and customers to provide feedback on how Customer Service is delivered. All survey responses will be confidential with a general summary of results provided to the CAP Board Customer Service Task Force on April 19, 2018.

In order for the Board to constructively address how to improve the process of Customer Service, we need to know both what things are working and what things can be improved from the public's perspective. Please take a few moments to provide your feedback on the following questions in the most honest and constructive way. By collecting quality data, we have a much greater chance of defining high quality solutions.

For simplicity, the term "Customer" includes subcontractors, stakeholders and members of the public.

Thank you for your time. The survey should take approximately 15 minutes and will be available until March 30, 2018.

Responses are required.

* What is your age?

* What is your gender?

◯ Female

◯ Male

* What is your county of residence?

[   ]

* Please choose the one that best describes you:

○ Ag - CAP Water User, Contractor or Sub-contractor

○ Tribal - CAP Water User, Contractor or Sub-contractor

○ Municipalities and Industrial - CAP Water User, Contractor or Sub-contractor

○ State or Federal Agency

○ NGO

○ Representative of Trade Group, Advocacy organization, attorney or agent

○ CAP Board

○ CAP Staff

○ Other (please specify)

[   ]

* CAP BOARD: Regarding the CAP Board of Directors on Customer Service please score 1 - 5 on the following Customer Service Criteria: (1 = poor and 5 = Excellent)

	1 - poor	2	3	4	5 - excellent
Listening: The Board acknowledges when something needs fixing and listens carefully to the issues and concerns, ensuring customers have been heard and understood.	○	○	○	○	○
Problem Resolution: The Board places priority on fixing problems brought to their attention by the	○	○	○	○	○

	1 - poor	2	3	4	5 - excellent
customers to not only listen to, but address the issue.					
Customer Value: The Board demonstrates the value of each customer so that they feel valued as a customer.	◯	◯	◯	◯	◯
Customer Interactions: Board Members are polite and respectful in their interactions with customers. Customers are treated with respect, courtesy and professionalism to ensure all parties are most receptive to having a satisfactory outcome.	◯	◯	◯	◯	◯
Empowering Staff for Customer Service: The Board empowers CAP's customer service providers to make decisions that are best for its customers and that fall within the legal requirements placed upon CAP.	◯	◯	◯	◯	◯
Attitudes and Behaviors: The Board, in addition to fulfilling its State and Federal responsibilities, models attitudes and behaviors that show Customer Service is important.	◯	◯	◯	◯	◯
Customer Feedback: The Board effectively uses customer feedback, within its responsibilities and authorities, to improve Customer Service.	◯	◯	◯	◯	◯
Honesty and Transparency: The Board is proactive, open and honest	◯	◯	◯	◯	◯

	1 - poor	2	3	4	5 - excellent
with its customers about its decision making and services provided.					
The Value of Voice of the Customer: The Voice of the Customer is respected and promoted by the Board.	○	○	○	○	○

Please provide your additional feedback for the Board in the space provided:

[text box]

* **CAP as an Organization: Regarding CAP as an entity and CAP Staff on Customer Service, please score 1 - 5 on the following Customer Service Criteria: (1 = poor and 5 = Excellent)**

For the following seven statements, please focus on CAP as an organization when rating:

	1 - poor	2	3	4	5 - excellent
Listening: CAP acknowledges when something needs fixing and listens carefully to the issues and concerns, ensuring customers and stakeholders have been heard and understood.	○	○	○	○	○
Problem Resolution: CAP places priority on fixing problems brought to their attention by the stakeholders to not only listen to, but address the issue. Customers are assured that CAP will	○	○	○	○	○

	1 - poor	2	3	4	5 - excellent
provide the best possible solution within their resources and authorities to do so.					
Customer Value: CAP demonstrates the value of each customer to ensure they feel valued as a customer.	○	○	○	○	○
Customer Interactions: CAP Staff are polite and respectful in their interactions with customers; customers are treated with respect, courtesy and professionalism to ensure all parties are most receptive to having a satisfactory outcome.	○	○	○	○	○
Empowering CAP Staff for Customer Service: CAP empowers their staff to make decisions that are best for its customers and follow their legal and contractual requirements placed upon CAP.	○	○	○	○	○
Attitudes and Behaviors: The CAP organization, in addition to fulfilling its State and Federal responsibilities, models attitudes and behaviors that show Customer Service is important.	○	○	○	○	○
Customer Feedback: CAP effectively uses customer feedback, within its responsibilities and authorities, to improve Customer Service and its relationships.	○	○	○	○	○

* **For the following three statements, please reflect on how CAP staff members have provided service to you.**

	1 - poor	2	3	4	5 - excellent
Timeliness: Customers questions are answered quickly and their problem resolved in a timely manner. Representatives are specific about when something will happen and then make sure it happens.	○	○	○	○	○
Empathy: CAP Staff demonstrates empathy to their customers' situations treating others how they would like to be treated themselves.	○	○	○	○	○
Ownership: CAP Staff take responsibility for the situation within its legal and contractual responsibilities. Even if they cannot fix things immediately, they make sure the customer doesn't get bounced around trying to find the right person to help them.	○	○	○	○	○

Please provide your additional feedback for CAP and its staff in the space provided:

Done

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APPENDIX 2a: COMMON THEMES (IN SCOPE)

These themes come from all of the combined data inputs from the Survey, Interviews and Focus Groups. When providing qualitative feedback, it is common that some items may appear in more than one category. The specific points do not always fit into separate discreet boxes nor are they clearly black and white. They overlap and may appear to be a gray area. There are many nuances that are important to be noted to both thoroughly hear what the Stakeholders are saying and to understand the depth of their experience. At times impressions are shared in general by all Stakeholders and at times they are not depending on how prevalent the concept was discussed. This is the nature of a qualitative research process.

1. ATTITUDES/BEHAVIORS

Positives – Enables Effective Processes	- Board members believe that they consciously represent their constituencies as a bi-partisan Board - At times Stakeholders feel that they are treated with professional respect and fairness by Board and Staff - Board members stated that they have offered to meet regularly and in person, by email or phone with their constituencies
Roadblocks – Cause Deficiencies in Processes	- Stakeholders and customers believe they are not given enough time to provide input in meetings or to follow-up with the Board - They perceive their input is discounted by Board or Staff as incorrect or not doable - Stakeholders have felt belittled or criticized

2. DELIVERY/EXECUTION

Positives – Enables Effective Processes	- Stakeholders describe operations, maintenance and planning as handled by first line Staff as effective - Stakeholders characterize having an overall close connection with operations Staff as being very helpful to them doing their jobs well - Customers appreciate when water scheduling, coordination of delivery and related communications happen early and often, especially on planned outages
Roadblocks – Cause Deficiencies in Processes	- Customers believe that there is insufficient flexibility in order quantities and timing which have cost and timing implications - From the Customer's experience, they believe that maintenance scheduling and the ordering process are more reactive than proactive - Customers believe that water quality does not receive sufficient focus - Stakeholders desire more options than just use or lose at end of year - Stakeholders believe that there is not enough of their involvement in long-term scenario planning/risk mitigation

APPENDIX 2a: COMMON THEMES (IN SCOPE)

3. CUSTOMER & STAKEHOLDER RELATIONSHIPS

Positives – Enables Effective Processes	• Multiple data inputs indicate that it is more effective when early input is gathered from Stakeholders • Stakeholders believe that keeping the processes public is a more effective customer service process than when they are surprised • Both internal Staff and their City counterparts stated that working relationships thrive when CAP and Cities make commitments to work together at all levels • Stakeholders stated that it has been very effective and meaningful when Staff and Board members do tours/"Go see"
Roadblocks – Cause Deficiencies in Processes	• Customers feel that CAP makes assumptions about their needs and motivations, assuming one size fits all • Tribal Stakeholders believe that their needs are considered as an afterthought or not at all • Customers perceive that CAP is communicating with only a few contractors • Customers do not feel they are treated fairly or equally when their point of view is not heard or acknowledged • Customers are confused as to where to go within CAP to get their issues addressed

4. OUTREACH/COMMUNICATION/LISTENING

Positives – Enables Effective Processes	Meetings, forums and workshops work well when the following characteristics are demonstrated: • Stakeholders are engaged for input early and often; before, during and after the session • They have plenty of time to clarify for understanding through Q & A, especially regarding finance and policy decisions • SME's provide their expertise without judging others, being defensive or dictatorial • CAP uses relationship building and facilitative skills rather than tops-down directive behaviors • Board and Staff attend Stakeholder meetings to learn their constituencies' perspective on issues: water and non-water related
Roadblocks – Cause Deficiencies in Processes	• Customers generally feel their voice is not heard • In Stakeholder meetings participants struggle when they experience communication as a 1-way data or information download with no connection to the audience's emotions or concerns • Municipal water Staff believe they are by-passed when they do not have a chance to participate in setting agendas and review slides for Municipal and Outreach meetings and when CAP Staff go directly to the "elected"

APPENDIX 2a: COMMON THEMES (IN SCOPE)

	• Stakeholders feel like they are being closed off and that their ideas and alternative ways of thinking are being shut down • Stakeholders resent when they feel like CAP Staff come across as "we know better than you because of our expertise" • Stakeholders feel outnumbered by CAP Staff in discussions

5. COLLABORATIVE PROBLEM SOLVING

Positives – Enables Effective Processes	• From both internal and external perspectives, this process works better when Staff work collaboratively with Stakeholders to come up with proposals/ solutions • Stakeholders prefer to be engaged early and often • Use of working groups where Stakeholders play a bigger role in the process is seen as very effective • Stakeholders expressed a positive experience when Legal Staff on both sides facilitated problem solving toward the common good
Roadblocks – Cause Deficiencies in Processes	• Stakeholders are sensitive to any form of put-down and judgmental thinking • Stakeholders feel unimportant when asked to give input and then never hear back • Stakeholders are frustrated when they are told their solution or idea won't work only for CAP to later use it and claim they came up with it • Stakeholders resent being told a flat "NO" without exploring alternative ways that the needs can be met: "Let's try it this way." • At times Legal Staff are perceived by Stakeholders as "closing the deal" or winning the negotiation

6. DECISION MAKING/POLICY DEPLOYMENT

Positives – Enables Effective Processes	• Customers recognize that there have been improvements in the past few years • Stakeholders are more willing to engage when the process comes to full closure and is not left to drift to nowhere • Customers expressed desire that all views are received and that the impacts on them are carefully weighed
Roadblocks – Cause Deficiencies in Processes	• Stakeholders don't feel they have adequate context for some decisions. When the decision making process is not clear, Stakeholders perceive that as hiding or a lack of transparency by CAP. They call this "the black box" • Stakeholders believe that they do not have enough details about new decisions or policies to determine how it will impact them: e.g., initial process development, rollout, change effectivity dates, and the roles to be performed

	- Tribes believe there is a hole in policies when they have not been included in agreements - Stakeholders are frustrated when an agreement has gotten close to being decided only to have CAP walk out - Customers perceive there to be an inconsistent application of policy so that they are not sure what they can count on

7. BOARD

Positives – Enables Effective Processes	- Stakeholders stated that recently, the Board has become more open to multiple Stakeholder inputs beyond the blue card process - Stakeholders feel Board meetings are most effective when respect is demonstrated and decorum is followed - Stakeholders believe the process is more effective by the Board following a more "roundtable approach" with subcommittees - Setting up the CSTF is seen as positive by internal and external Stakeholders - The Board believes that they are staying bi-partisan - Board members and Stakeholders see it as positive when they increase their education on contentious water policy issues - Stakeholders are hopeful with new Board members who provide a new, fresh perspective
Roadblocks – Cause Deficiencies in Processes	- Stakeholders perceive an insufficient knowledge base of the Board members that pertains to current issues - Stakeholders at times have experienced a non-welcoming, disrespectful environment in Board meetings - Meeting attendees who gave honest feedback have felt criticized, intimidated and disrespected - Stakeholders perceive the Board as being insular and unwilling to change - External Stakeholders have a perception that the Board depends too much on Staff and see the Staff as controlling the Board - Stakeholders consider Executive sessions to be too long - Stakeholders experience that follow through and closure on issues are lost when the Board takes so long on processes and decisions - Stakeholders do not have clarity on how the Board objectively measures its effectiveness

APPENDIX 2a: COMMON THEMES (IN SCOPE)

8. STAFF

Positives – Enables Effective Processes	• The Staff believe they are more effective when they are able to set clear priorities that allow them to focus • External Stakeholders commented that internal career path and promotions ensure foundation knowledge continues, but may inhibit diversity of thinking • Stakeholders believe that several Staff are able to keep a professional tone and demeanor, even when in difficult conversations and meetings
Roadblocks – Cause Deficiencies in Processes	• Internal and external Stakeholders believe that departments within CAP operate in silos • External Stakeholders feel intimidated when technical Staff use their in-depth knowledge and expertise to manipulate or control decisions and outcomes • Multiple Stakeholder groups perceive there to be an imbalance of who gets listened to and served by CAP Staff

APPENDIX 2b: COMMON THEMES (OUT OF SCOPE)

Please see introductory paragraph in Appendix 2a.

9. PURPOSE AND IDENTITY

Positives – Enables Effective Processes	• Board demonstrates clarity of its purpose, identity and integrity • CAP promotes unified perspectives on water sustainability
Roadblocks – Cause Deficiencies in Processes	• External Stakeholders are unclear and question the purpose and roles of CAP in the water community • Many external Stakeholders currently disagree with the Vision and Mission statements in the Strategic Plan • Stakeholders disagree with how CAP views its identity today compared to when it was originally created • Stakeholders perceive a disconnect between the goals/purpose of CAP and CAGRD; "at odds with each other" • Staff has suggested that it is time to take a step back, reflect on how things have gotten to this point and what about CAP has caused the conflicts of today

10. STRUCTURE AND ROLES

Positives – Enables Effective Processes	• All Stakeholders feel that the Board and Staff are highly committed to their roles and responsibilities • The Board believes that they work hard to be aware of how the organization impacts others • The majority of Stakeholders indicate that Staff are empowered to deliver Customer Service • The Board and Staff believe that CAP employees bend over backwards for the Board
Roadblocks – Cause Deficiencies in Processes	• Stakeholders express confusion and disagreement with the identity, structure and roles of Board, Staff, CAGRD and the CAGRD Board • Stakeholders feel that the Board delegates issues investigation to Staff • Stakeholders and some Board members believe that the Board only hears one-sided perspectives from the Staff • Board members are perceived as taking the Staff's perspective as absolute truth, even when confronted at Board meetings with alternative views • There is a historical perception amongst Stakeholders that the Board rubber stamps Staff's recommendations without adequate review and understanding • Stakeholders see a structural and role conflict for the Board which serves 3 counties plus other Stakeholders whom often have conflicting goals to the counties • Stakeholders feel that the Board should be focused primarily on the 3 county areas from which they are elected rather than dealing with other entities outside of the counties

APPENDIX 2b: COMMON THEMES (OUT OF SCOPE)

	- Stakeholders believe that adding more technical advisory groups/task forces would provide opportunity for more groups to have unfiltered access to the Board - At times internal Staff are confused about the boundaries between their role and that of the Board's - Some Staff and external Stakeholders are concerned that the Board gets into too much detail of operational issues - External and internal Stakeholders believe that roles between Board and Staff are not clear enough concerning policy vs. the tactical issues that Staff should address

11. POWER/CONTROL/TRUST

Positives – Enables Effective Processes	- Board and Staff hold norms of respect for the roles each entity performs - Board believes it is extremely committed to being transparent and responsive - Stakeholders recall that CAP was formed based on strong bonds and original long-term relationships in the water community; these are at the foundation of CAP - There is support from the Stakeholder community to help CAP be even more effective
Roadblocks – Cause Deficiencies in Processes	- Customers believe neither CAWCD or ADWR can just dictate policy; therefore they feel forced to pick sides between the two - Stakeholders expressed a desire for the two principles of CAWCD and ADWR to "sit down and go through mediation" - Customers see upper level Staff and some Board members as too eager to maintain CAP's voice as the strongest in AZ water issues, sometimes to the detriment of their customers - Stakeholders see CAP as a large, controlling entity more so than a collaborator - CAP social media posts are seen as contradictory on key issues – Hurts Stakeholders' trust and certainty of the community

APPENDIX 2b: COMMON THEMES (OUT OF SCOPE)

12. CULTURE CHANGE

| Positives – Enables Effective Processes	- Internal Staff have expressed an increasing awareness of the need for change and continuous improvement: "we are primed for change" - Stakeholders have expressed hope for change due to the addition of new employees and Board members - Board and Staff believe that they are using current challenges as a chance to learn and grow - Some inside of CAP believe that it is key for the organization to change with the times by being adaptive and flexible while… - Not losing sight of a strong foundation built upon original water community support, solid values and commitment to water delivery excellence "We need to show the external world we are changing our relationship with our major Stakeholders "
Roadblocks – Cause Deficiencies in Processes	- Stakeholders believe that originally CAP was based on old assumptions that made sense in the past, but not in today's world - Various internal and external Stakeholders believe we are missing an opportunity to build change into CAP's DNA, to change with the times - Stakeholders view that CAP has an internal resistance to change which they interpret as hanging on to the past and not moving out of one's comfort zone - Staff have expressed the need to better respond to changes outside of CAP, to change with the times - Some Stakeholders have expressed that CAP is not preparing internal future leaders today for the changing world that lies ahead, especially when it only promotes from within - Internal and external Stakeholders expressed the need for CAP to have a more diverse employee population - Various Stakeholders stated that they would like to see a Board and CAP Leadership 360 assessment to identify strengths and short comings in light of future requirements - Staff expressed the need to step back, review and reflect on the changes at hand

APPENDIX 3: TOOLS FOR BUILDING TRUST

These tools are based on the neuroscience of how we as human beings are hard wired to connect with others. Healthy conversations lead to healthy relationships which lead to healthy cultures.

- Conversational Dashboard
- Establishing a Foundation of Trust
- Conversational Intelligence Matrix
- Voice of the Customer
- Shifting from Power-Over to Power-With Leadership

Source: Judith A. Glaser, author of Conversational Intelligence, named one of the Top 5 Business Trends of 2016 by Inc. Magazine

Conversational Dashboard – We Shut Down When Threatened

Where are you on the Trust Dashboard Today?

Conversational **INTELLIGENCE**® for Coaches
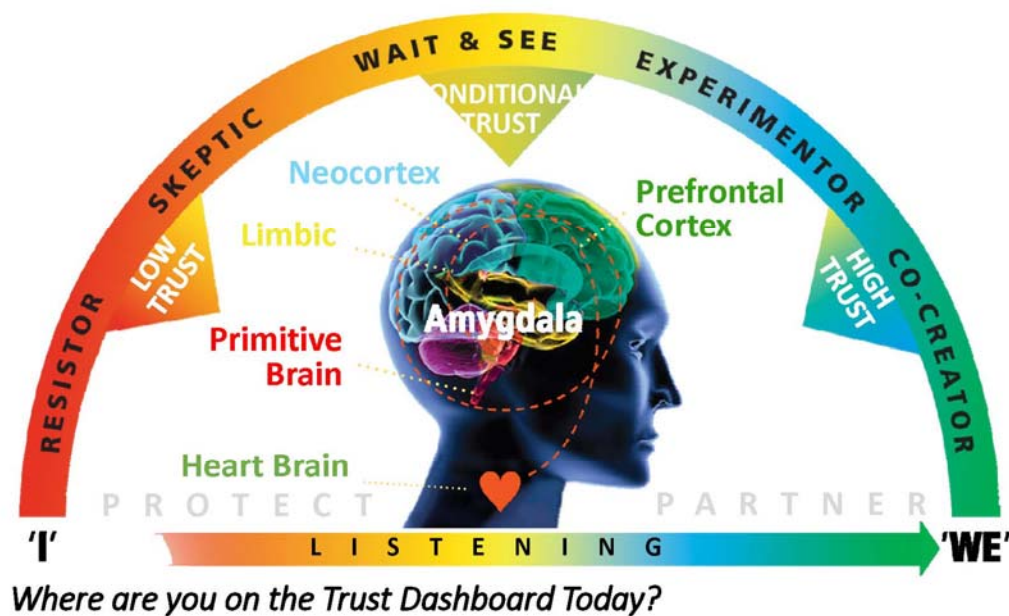
ESTABLISHING A FOUNDATION OF TRUST

We can *prime* our conversations by using the 5 steps below. Changing our mindset can shift and shape our experiences into more productive, innovative, co-creative and intelligent results.

LISTENING   LISTENING
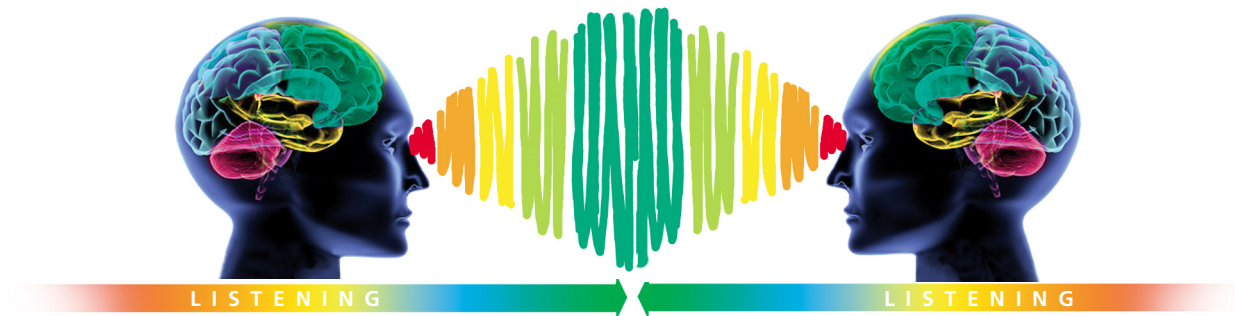
CLOSING REALITY GAPS AND 'OPENING UP VIEWS' WILL ELEVATE THE CONVERSATION

Step 1:
TRANSPARENCY
Quelling Threats & Fears

Intention: How can I create a safe environment, be more transparent about desired outcomes, and share threats that may stand in the way?
Impact: What actions, thoughts or words will enable the other person to shift from protect to partner?
Level III: Quells the Amygdala and activates prefrontal cortex & heart.

Step 2:
RELATIONSHIP
Listen to Connect

Intention: How can I establish rapport; prime the conversation for mutual trust, openness, and respect; and establish a 'power-with others' context?
Impact: What actions, thoughts or words will enable us to listen, to connect and relax judgment of each other?
Level III: Activates coherence; increases oxytocin and reduces cortisol.

Step 3:
UNDERSTANDING
Listen to Understand

Intention: How can I step into the other person's shoes and see the world from their eyes: share what is on my mind, stay open and non-judgmental.
Impact: What actions, thoughts or words will bridge between our realities?
Level III: Lowers uncertainty and activates empathy and mirror neurons.

Step 4:
SHARED SUCCESS
Listen to Co-create Strategies for Mutual Success

Intention: How can I/we paint a picture of shared success – not just my success? How can I lower my 'attachment to being right', and elevate my curiosity about what is possible?
Impact: What can we say to reduce conflict and open a new view of mutual success?
Level III: Elevates and catalyzes rapid sharing, rapid discovery, innovation, and catalyzes new ways of thinking with others.

Step 5:
TEST ASSUMPTIONS & TELL THE TRUTH
Listen to Close Reality Gaps

Intention: How can I/we tell the truth with candor and caring? How can we identify Reality Gaps, and stay open to test assumptions?
Impact: What actions, thoughts or words will enable us to both 'tell our truth'; What can I do to facilitate Level III?
Level III: Fully activates the trust networks – enables the Executive Brain (prefrontal cortex) and heart to connect and elevates both conversations and influence.

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CONVERSATIONAL INTELLIGENCE® MATRIX

	LEVEL I	LEVEL II	LEVEL III
	TRANSACTIONAL Exchange Information	**POSITIONAL** Exchange Power	**TRANSFORMATIONAL** Exchange Energy
	TELL → ASK	ADVOCATE → ← INQUIRE	SHARE DISCOVER
Intention	Confirm what I know	Defend what I/We know	Discover what we don't know
I-WE	I-centric	I & WE-centric	WE-centric
Space	Defines Space	Explores Space	Creates Space
Healthy Mindset	Exchange information. Validate what we know	Persuade & influence others to agree with my point of view. Opportunity to seek win-win solutions	Hold a neutral space to explore uncharted territory. Ask questions for which we have no answers & listen to connect
Unhealthy Mindset/ Blind Spots	**Tell-Sell-Yell Syndrome** Tendency toward telling more than listening or asking	**Addicted to Being Right** Overuse of telling. Tendency to ask questions to persuade.	**All Talk, No Action** Tendency for too much ideation & not enough execution
Interaction Dynamics	**Inform**	**Persuade**	**Co-create**
Listen	Listen to Protect	Listen to Accept or Reject	Listen to Connect
Success	My Success	Explore each other's positions; accept or reject	Co-creating Mutual Success
Trust	Low Trust	Conditional Trust	High Trust
Influence	Not open to Influence	Open to Influence	Open for Co-influence
Power	Informational Power	Positional Power	Personal Power
Skills to Develop	Ability to invite open-ended questions & foster 'give and take'	Ability to share the conversational space with others	Ability to Co-create, Innovate & Transform
Neurochemistry	Cortisol & Oxytocin	Intermittent releases of Cortisol (unhealthy exchange) & Oxytocin (healthy exchange)	Release high levels of Oxytocin & Dopamine; Co-creation & Transformation

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VOICE OF THE CUSTOMER PROGRAM

Indirect Feedback		Feedback generated by the ways clients are engaging with your product. For example, usage data, support data, and other behavioral metrics.	More specifically: Order activity On-time delivery Quality/returns Complaints
Direct Feedback	Tactical VOC	Is (company name) currently meeting my needs?	Transactional Surveys (tab2)
	Relationship VOC	Does (company name) connect with me?	Relationship Surveys (tab 2)
	Strategic VOC	Will (company name) meet my future needs?	Customer Strategic Reviews (usually in-person interviews, either 1-on-1 or in groups)

To be successful, must have:
Customer segmentation
Clarity of who owns Customer Relationships in the organization
Clarity of who owns VOC process in organization
Ability and commitment to follow up on inputs from surveys/reviews to effect change. (Otherwise customers stop providing input and it's worse than not asking in the first place).

VOC comes from Six Sigma. The intent is to Listen, Act, Assess.
It's about being proactive and constantly innovative to capture the changing requirements of the customers with time.

SHIFTING FROM POWER-OVER TO POWER-WITH LEADERSHIP

Interaction dynamics can be filled with erroneous and conflicting beliefs about authority, leadership, dominance, power, and winning. We often accept our beliefs about these important concepts without questioning them. Learning to shift into Power-with Leadership will promote a healthy, thriving, productive workplace. As you move into Power-with Leadership, your conversations create changes in the brain's ability to change, grow and innovate with others.

Co-Creating
Establishing a 'WE-centric' Workplace

C ▶ *Shift from Excluding to Including*
Involve people so they understand the direction of the company and how to be a part of creating future success. Discourage 'we-they' thinking. Help people reduce fear and stress from exclusion by creating an inclusive environment.

Humanizing
Building Partnerships in the Workplace

H ▶ *Shift from Judging to Appreciating*
Demonstrate respect, caring and appreciation for others' contributions. Raise and handle difficult issues openly. Give and receive feedback non-defensively. Draw out points of view from others and gain cooperation from others in the organization.

Aspiring
Focusing on Aspirations

A ▶ *Shift from Limiting Aspirations to Expanding Aspirations*
Inspire people help set high standards for performance. Enlist others in focusing on priorities for achieving business success. Take risks, and do not allow fear to erode productivity. Engage people in conversations so people know why we are moving forward in a specific direction.

Navigating
Harvesting Wisdom

N ▶ *Shift from Withholding to Sharing*
Share information and best practices within and across divisions. Engage people in decision making, and foster cooperative relationships Create a learning environment, and engage people in 'discovery' from within the team and with other departments.

Generativity
Fostering Innovation

G ▶ *Shift from Knowing Mindset to Discovering Mindset*
Create an environment where people can bring out their best ideas and challenge the status quo. Reward 'what if' questions and the testing of 'what if' scenarios. When experimentation doesn't get the desired results, ask "What can we learn from this?"

Expressing
Developing a Leadership Voice

E ▶ *Shift from Dictating to Developing*
Inspire people to make their own decisions, even tough decisions. Encourage people to speak up with their own ideas about others' (and the leader's) point of view. (Encourage assertiveness.) Provide feedback to help others grow.

Synchronizing
Releasing Positive Energy

S ▶ *Shift from Censuring to Celebrating*
Help people celebrate success and accomplishments; recognize and achieve milestones. Encourage commitment to accountability and excellence even in the face of difficult challenges. Inspire collaboration–even enthusiasm and loyalty to the company.

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