



2017 Award Recipient

Bristol Tennessee Essential Services

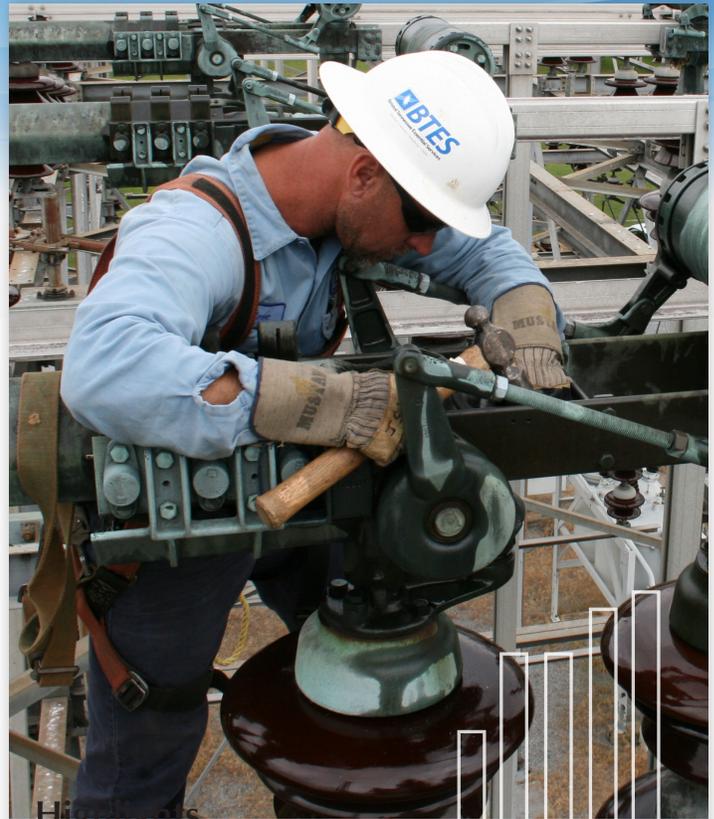
Bristol Tennessee Essential Services (BTES) is an electricity and fiber services utility company that serves 33,000 customers with only 68 employees. It offers the fastest Internet available in the United States at 10 Gigabits per second, has implemented efficiencies that saved its customers approximately \$70 million over the last 40 years, and has customer satisfaction levels approaching 100 percent on many products and performance measures.

Operational Excellence

- Service reliability, as measured by reducing electrical outages and by the national System Average Interruption Duration Index (SAIDI)—or the total number of minutes in which a customer's service is interrupted divided by the total number of customers served by the utility company over the same period of time—has continuously improved and has outperformed the annual goal of less than 60 minutes, far outperforming industry, regional, and best-in-class averages (all 90–100 minutes).
- BTES has not had a lost work day in over a year, and over the last 35 years, only two safety-related incidents have resulted in lost work days for the company.
- BTES works to prevent outages through several preventative actions, and a database with causes of outages is maintained and discussed by employees at daily and weekly outage meetings. The company's results for the Average Service Availability Index (ASAI), a key measure of BTES's preparedness, have outperformed all utility, region, and class comparisons, achieving a rate of 99.99 percent from 2014 through 2016.
- BTES's operating and maintenance expenses have consistently remained below those of other area power companies and other comparable sources. During the time frame of 2012–2016, BTES operating and maintenance expenses per customer were favorably lower than other Tennessee Valley Authority (TVA) local power companies and all municipal average comparisons.

Customer Satisfaction and Engagement

- Due to efficiencies such as integration of the fiber optic system, energy-efficient home improvement loans, training at in-house seminars and trade shows, energy-efficient lighting and equipment, and continuous cost evaluation and control, BTES has saved money for its customers, enabling them to keep approximately \$70 million in their pockets over the last 40 years. BTES considers its ability "to maintain the amount of money in customers' pockets" to be a key financial success factor.
- To measure customer satisfaction, BTES uses the Customer Average Interruption Duration Index (CAIDI) data maintained by the American Public Power Association. From 2013 through 2016,



Highlights

- Reliability is a key performance measure and a key success factor for BTES. With new technologies and innovations, BTES continues to decrease outage minutes with a strenuous goal of less than 60 minutes per customer per year, which it has exceeded for the past three years. This benchmark far outperforms the industry, regional, and best-in-class averages (all 90-100 minutes). With the use of its innovative Automated Switching System, BTES saved its customers an additional 46 minutes per customer of outage time in 2016.
- Results for the Average Service Availability Index (ASAI), a key measure of BTES's preparedness, have outperformed all utility, region, and class comparisons, achieving a rate of 99.99 percent from 2014 through 2016.
- BTES has continuously saved money for its customers, enabling them to keep approximately \$70 million in their pockets over the last 40 years. The organization considers this measure a key financial success factor.
- The company's employee retention rate has increased to 100 percent, while the industry benchmark is 91 percent and the national industry average is 82 percent.



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BTES's results for this index exceeded all utility, region, and class comparisons. Customer satisfaction levels with all BTES product lines (especially Internet, television, and electricity products), as well as customer service, the help desk, average outage time per customer, Internet performance, and cable television, have been sustained over many years, with many levels approaching 100 percent and exceeding competitor, industry benchmarks, and best-in-class comparison levels.

- All customer feedback, both positive and negative, is tracked and reviewed weekly by the company, with all senior leaders involved, during the formal Continuous Improvement Team meeting. The feedback is analyzed for potential gaps, trends, and improvement opportunities. Improvement opportunities are identified, root causes are determined, and actions are taken to address customer concerns.

A Valued Workforce

- Employee engagement is measured through performance appraisals, retention, and attendance. The percentage of employees with perfect attendance is about 75 percent, far exceeding the industry average of just under 20 percent. Employee retention has increased to 100 percent, while the industry benchmark is 91 percent and the national industry average is 82 percent.
- Striving to provide the "best place to work" in the region, BTES demonstrates a commitment to building an effective workforce environment and to engaging and empowering the workforce. For example, BTES provides on-site exercise equipment for employees and retirees, access to information on healthy life styles and well-being, flu shots, and educational and advancement opportunities. BTES's commercial-grade kitchen, which is brought online during extended area power outages and inclement weather, enables its support staff and leadership to produce meals for crews who are engaged in restoring power, further reducing the outage time experienced by customers.
- BTES uses its SMART (System Management and Resource Training) system, an online training portal, to communicate process standards, standard operating procedures, and process changes and improvements. Employees are expected to complete all assigned modules every quarter, and 100 percent of BTES's workforce annually participates in workforce development opportunities.

Leadership Fostering a Culture for Success

- BTES's family-oriented management team has shared accountability and is consistently focused on the organization's vision "to be the best electric, Internet, telephone, and cable television provider." Senior leaders operate with a high level of mutual trust and collectively hold each other accountable for achieving strategic objectives, action plans, and high performance in the organization's key success factors of safety, reliability, and finance.

- BTES has built a culture of continuous improvement, which is fully deployed throughout the organization and is effective at identifying and rapidly improving performance. For example, the CAP-DO process (Check, Act, Plan, Do) encourages employees and teams to rapidly improve processes. Through the use of its Improvement Initiative Process (IIP), BTES treats all customer- and employee-related inputs as either an "OFI" (opportunity for improvement) or a "positive," which provides consistency and rigor in data gathering from all departments and processes throughout the organization.

Superior Financial and Marketplace Results

- In its service area, BTES holds market shares of 100 percent for electrical services, 75 percent for Internet services, 60 percent for telephone services, and 70 percent for cable services. Those percentages for fiber-related services (Internet, telephone, and cable) have increased relative to the company's competition.
- Bad debts have consistently remained under 0.1 percent for BTES, far outperforming the regional average of 0.17 percent.
- BTES has steadily increased its annual revenue to approximately \$112 million and has consistently produced a positive net income for more than 40 years.

For more information:

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Baldrige Performance Excellence Program

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