

WHAT DIFFERENTIATES TOP PERFORMERS?

**Insights on Water Utility's Management Practices
based NewIBNET data**

May 2026 | Sofia | 2026 Danube Water Forum

www.newibnet.org

Utilities are in the forefront of the Water and Sanitation Challenge



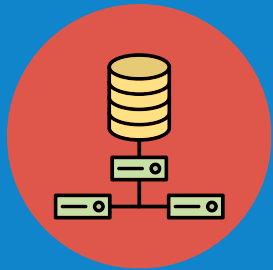
**Impacts of
climate change**



**Expand and
improve water
service provision**



**Impacts of economic
cycles and crises
such as COVID-19**



→ Data quality
→ Data culture
→ Data-driven decisions

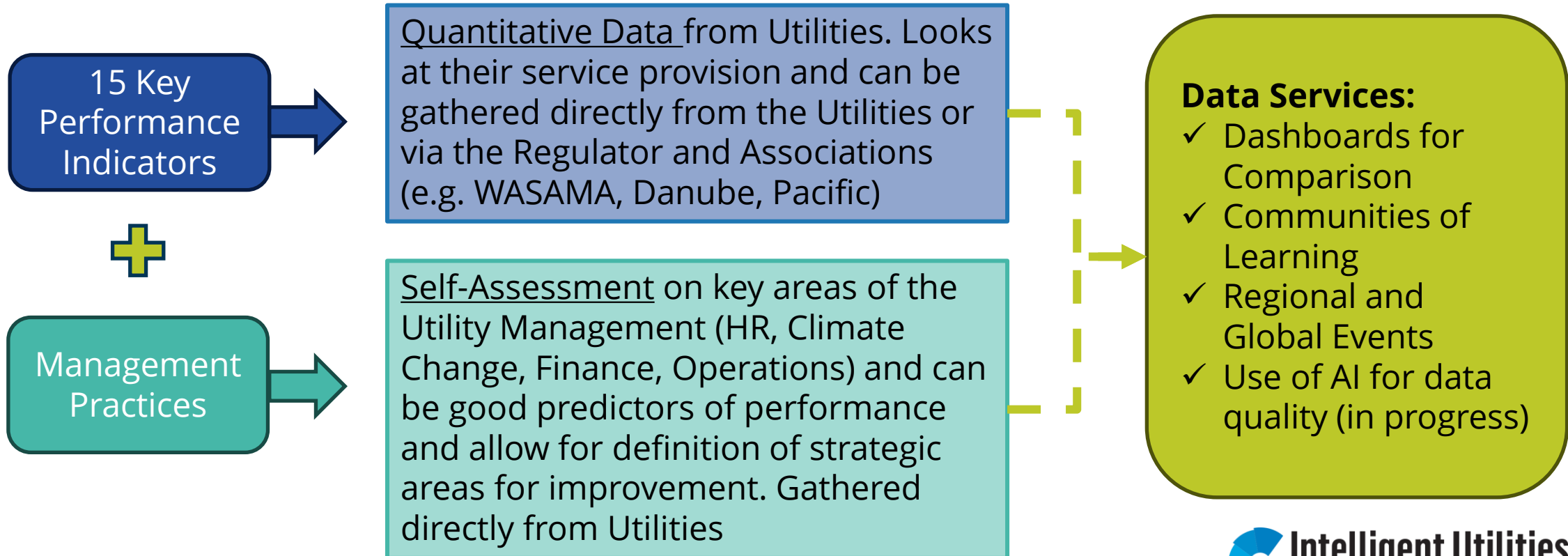
- Utilities produce huge amounts of data in the course of their regular work.
- **Is there a way to have this data *work for* them to improve performance?**

Yes, by Sharing Data!

Because Visibility and Comparison...

1. creates dynamics toward improvements.
2. can help utilities understand where they are.
3. creates discipline.

NewIBNET Data Approach



But which Data to share?

Less is more: Data Questions for 15 Key Performance Indicators

 Water Operations	 Sanitation Operations	 Commercial Operations	 Financial management	 Human Resources
1. Drinking water coverage (%) 2. Continuity (hr/day) 3. % customers 24/7 supply 4., 5. NRW (l/Conn./hr or %)	6. Sanitation coverage (%) 7. Wastewater Collected and Treated (%) 8. Sewer Blockages (n/100km)	9. Collection rate 10. % of Metered connections 11. Service complaints resolved 12. Drinking water quality	13. Operational cost coverage (%) (includes Info on Energy Cost)	14. Number of employees per 1000 connections 15. Percentage of female employees

Management Practices

Self-assessment: 27 Management Practices along 7 categories



Commercial & Customer Relations

- Meter Reading
- Payment Methods
- Communications channels



Operations

- Asset Management
- Infrastructure Maintenance
- Non-revenue water



Financial

- Operational cost recovery
- Financial planning and forecast
- Infrastructure life cycle



Organization & Strategy

- Balance and timing of targets
- Performance tracking and Review



Human Resources

- Attracting and managing Talent
- Promotion and retention mechanisms



Climate Change

- Water Savings
- Water Sources Conservation
- Green Infrastructure



Integrity

- Transparency
- Disclosure
- Procurement Protocols

Empirical evidence: For private firms – management practices shape performance

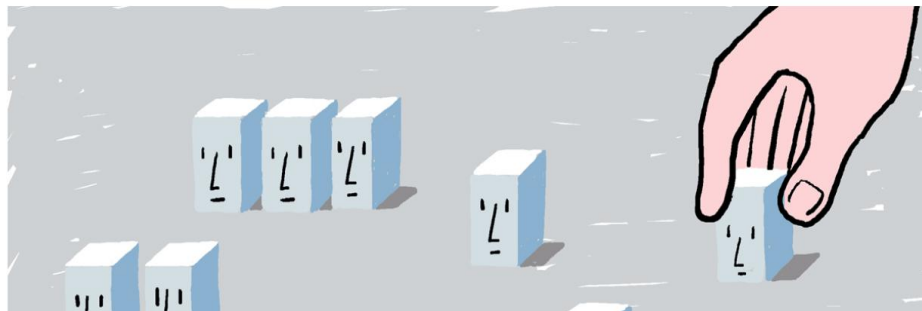
Harvard
Business
Review

Business Management | Good Management Predicts a Firm's Success Better Than

Good Management Predicts a Firm's Success Better Than IT, R&D, or Even Employee Skills

by Nicholas Bloom, John Van Reenen, and Erik Brynjolfsson

April 19, 2017

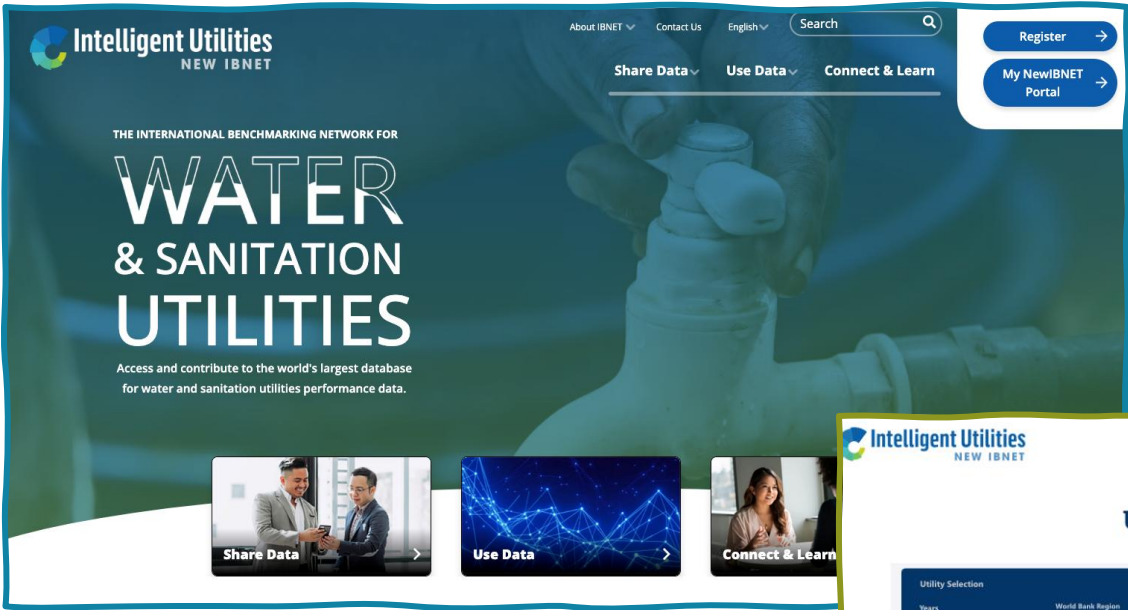


London School of Economics: **World Management Survey (WMS)** 20,000 interviews in over 35 countries over 20 years



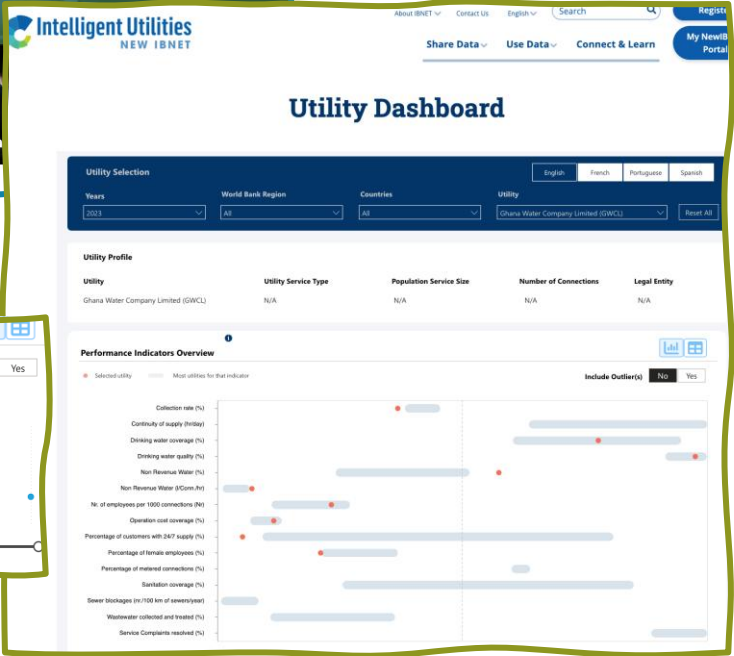
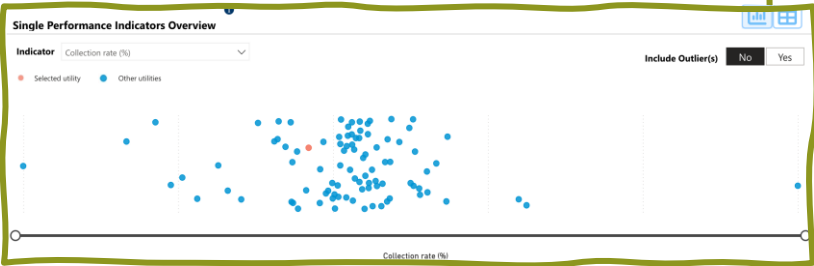
- **Not just the private sector:** Medium-sized manufacturing firms and retail stores – more recently also hospitals and schools.
- **Explains variation:** Between a quarter and one-third of cross-country and within-country total productivity gaps attributed to management
- **Three areas stand out:** Target setting, monitoring and HR management.

Our data comes from NewIBNET: About 300 observations across three years



Urban	Rural	Urban/ Rural
118	13	160

Regions	##
AFE	151
AFW	18
EAP	35
ECA	27
LCR	25
MNA	6
SAR	28

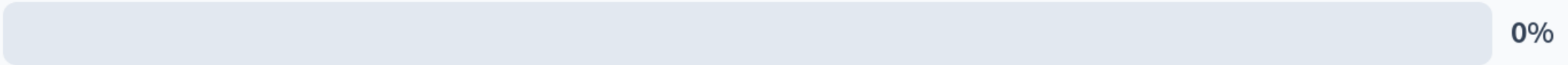


Year	##
2021	86
2022	101
2023	104

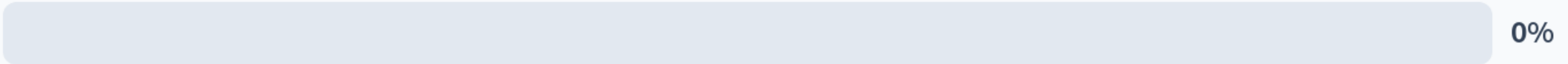
Incomplete observations were dropped (e.g. only KPI but no management practices)

Financial Index Management Practices best correlate with which of the following Indicators? (it can be more than one)

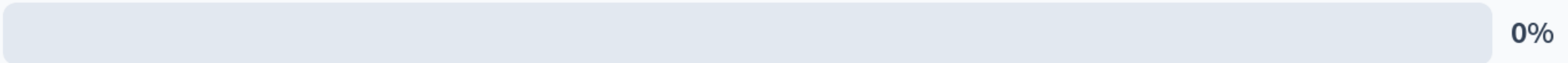
% of metered connections



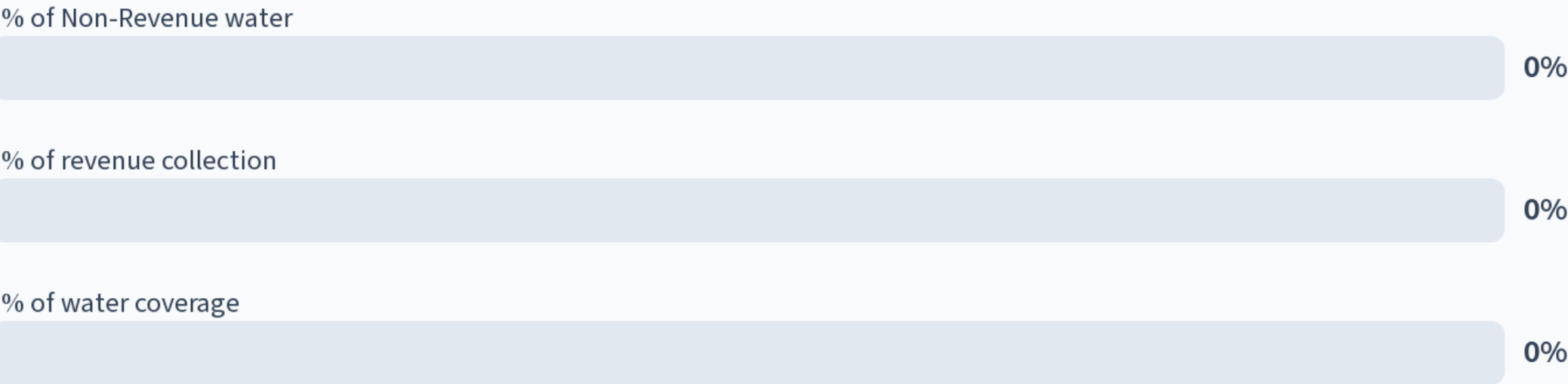
% of water coverage



% of complaints resolved



Performance Monitoring Management Practices best correlate with which of the following Indicators? (it can be more than one)



Regression Analysis: Monitoring, targeting and (financial) analyses distinguish good performers

		Customer Service Performance					Operational Performance					Financial Performance	Human Resource Performance			
KPIs		% Complaints Resolved	% Water Coverage	Average Hours of Daily Services	% Customer sw 24/7 Continuous Service		Efficiency proxy=Nr FT Employees per 1000 connections (win 95th)	Losses= % NRW	Quality= % Drinking Water Samples Compliant	% Metered Connections	Water network breaks per 100km (win 95th)		% Revenue Collected (win 95th)	Job acceptance rate (managers) (1)	Job acceptance rate (non-managers) (1)	Top talent leaves infrequently (2)
Management Practices (all in one Index)				2.248***					5.862***	15.58***					5.971***	0.119***
Customer Engagement Index					5.439**											
Metering Index				1.527***						13.71***				4.148**	3.092**	
Maintenance & NRW Index							-1.625**									
Financial Index		4.298**	10.29***	1.446**												
Performance Monitoring Index								-2.487*								
Target Setting Index													3.961**		3.063*	
HR Index				1.559***						6.082**				4.643**	4.340**	
Utilities Shares Info Public																

The dataset is an unbalanced panel of utilities over the years 2021, 2022, and 2023. The total dataset includes 304 observations, but the sample size for specific regressions varies based on the degree of missingness of the variables included in each specification, as can be seen by the number of observations underneath each coefficient.

The vector of controls includes quartile dummies for utility size (as proxied by the total nr of active water connections), dummies for the utility's legal ownership structure, and dummies for the World Bank country income groups (as of FY25).

Each specification includes standard errors clustered at the utility level to account for time-series autocorrelation for values submitted by the same utility over multiple periods.

(1) These are initially categorical variables asking about brackets of acceptance rate between 0% and 100%. The variables have been converted to numeric discrete by assigning to each bracket the numeric midpoint.

(2) This variable is constructed as equal to 1 if the answer provided is that top talent leaves either "infrequently" or "almost never", 0 otherwise.

Interviews with Danube Utilities shed light on the “stories behind the data”

NewIBNET questions about management Practices	Globally associated with good performance in (KPI)	Practices and Processes “behind” what the data show us across the Danube Basin (more details in Annex X)
Financial Analysis	Customer Service, in particular Coverage	- Financial Analyses to be ready for proactive search for capital - CEOs/teams proactive in identifying additional financial analyses
Performance Monitoring	% Non-Revenue Water	- Information is openly/proactively shared across departments - Cooperation and collaboration across utility ‘the norm’ (no silos)
Target Setting	% Revenue Collected	- Joint brainstorming 4 creative solutions to reduce arrears - Communications & finance units proactively involved, projects
HR: Performance-Based Review and Promotions	% Acceptance Rate/ Recruitment	- Non-monetary incentives/special assignments/build community - Personal attention to staff by CEO and/or other leaders in utility
Maintenance	Staffing efficiency (= ## staff/connections)	Only utilities who have access to or raised significant external capital invest systematically in (advanced) maintenance practices
Sharing Information with the General Public	***	- Some utilities significantly improved revenue collection through proactive public engagement on the topic - Educational communication to reduces number of complaints

Source: Qualitative interviews with 10 very different water utilities across the Danube region (Summer 2025)

Qualitative Interviews: Some examples of what we heard

Management sets pace

"We did not pay attention to KPIs before our banks required us to do so. Now our management reviews monthly what we pass on to the banks, and this is passed across the organization (CFO, XX, Balkan Country)

Reduce cost of Information

"Our departments don't talk much to each other, even if what one does affects the other. We use performance reviews to 'break down the silos'" (Director, Strategy, XX)

Reduce cost of coordination

"We are a process organization. Every process is well defined and we took time to analyze and set every process together, based on what a process contributes to achieve our targets. Everyone knows at all times what they are expected to do - and what others are expected to do. '" (CEO, XX, Balkan Country)

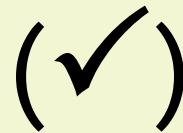
Involving all staff all times

"We send the data out daily to everyone in the organization: Everyone knows every water quality indicator at all times. If something is wrong with our water quality, we have to shut down. That's why we all pay attention"
- Operations manager, XX. pacific island

We found some answers to our questions



Do management practices affect the performance of utilities?



Which management practices matter (more)?

Work in progress

Why do some matter more for some outcomes than others?



Join the New International Benchmarking Network for the water sector today: a benchmarking tool free of charge!



www.newibnet.org