

Issue 187 March 20, 2006



In Issue 186 we looked at the best time to influence your organisation, and how to widen what is often a very narrow window of opportunity. Now read on....

If you do not have the influence that you feel you need in order to properly serve your organisation, here is a simple three-step method for getting it!

- Change approaches that are not working for you
- Align your goals with the corporate objectives
- Boast about what you have done – but judiciously!

‘Simple’ means that the steps to success are clear; it doesn’t mean that they are necessarily easy. They will take effort but they can be done. (pp. 41- 44)

Achieving Influence Pt 2

Proof of success can be found in a number of good organisations. British Waterways is one such. Energy Conservation is a prime goal for this organisation. The Asset Management Unit is seen as the means of achieving it. (pp. 45 to 48)

In the longer term, with rising oil prices and increasing insecurity of supply of both oil and gas, a reduced dependency will serve British Waterways well.

But to achieve its long-term aims, note how Asset Management here takes a medium term 3-5 year timeframe; long enough to make a real attitude change, but short enough to maintain enthusiasm.

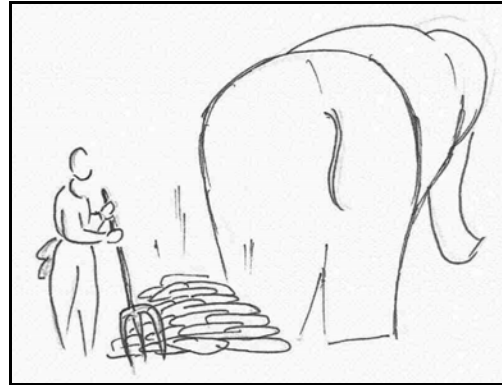
Enjoy!

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Simply having a BIG PROBLEM does not guarantee that you will be accorded influence.



Shock and Awe

It didn't work in Iraq and it doesn't work in the boardroom. "Report Cards" focussing on the billions, indeed trillions, of dollars needed for infrastructure get short-term media coverage but very little change at the top. At an organisational scale, where asset information systems have enabled us to crunch out ever bigger and more impressive default estimates of future asset renewal costs, the picture is much the same: some extra short-term resource allocations but never enough.

*Recognise the truth:
If it is too big to be handled,
It won't be!*

A Matter of Focus

We look resentfully at the major funds being ploughed into new or special projects and say "don't they realise that they are making their future problems worse by adding to their stock of unsustainable assets and accelerating current rates of degradation?" And the answer is, "Well, no they don't, because they (corporate executives) are focussed elsewhere." They are focussed on new and changed levels of service.

*Recognise the truth:
Service levels are changing -
Change with them!*

A Dead Weight?

Many CEOs have voiced to me concerns that 'too much emphasis on asset management can be detrimental – it takes resources away from essential community services.' Here is the source of our troubles. Asset management is not seen as a means of efficiently providing community service, but rather as diverting resources to the renewal of infrastructure, bricks and mortar that *is not seen to be necessary to service delivery*.

*Recognise the truth:
In the past, AM has been seen as a problem
It needs to be seen as a solution*

Use Maintenance and Renewal to Achieve Corporate Objectives

Creatively dealing with BIG Problems *can* generate Influence

Examples:

The Adelaide City Council wanted to renew its ageing bridges. This was not a top priority for councillors until they married the bridge renewal works to a service improvement – in this case they added illumination under the bridges, which nicely enhances the Adelaide City night-scape. For a small extra cost while they were working on the bridges, function was maintained *and* service delivery was enhanced.

New South Wales wanted to renew its ageing underground train stations; it promoted the renewal by way of the improvements that the refurbished stations could offer.



When an asset has degenerated or become dysfunctional to such an extent that it needs major maintenance or renewal, this is the cheapest opportunity you will get to effect change. At this stage the existing asset has a low or zero value, something that happens to most assets only once every 20, 30 or a 100 years. Don't waste it! Renewing 'as is' is a waste of resources and an even greater waste of an opportunity. Take the opportunity to change service levels to be more in accord with what people want today and tomorrow, not yesterday.

**Think of yourself
as a change
agent!**

**Asset Preservation
should not be the
goal**

Even *service* preservation should not be the goal. Preservation is something that is not part of management. Sure some things should be 'preserved', eg heritage areas, but the community can be better served by taking the opportunity for 'enhanced' by better access, greater safety, additional amenities. Preservation is 'status quo' - no scope for influence here.

**Enhancement
doesn't have to
cost more**

Once we move away from the notion that we need to 'preserve' assets and services, we are free to consider more creative and innovative 'package deals' that consist of moving out of low value (but costly) services into more appropriate services. This requires more public participation and the more positively the public view what you have done *for them* in the past, the more co-operative they will be in the future!

**Social, environ-
mental, cultural,
values**

Can be enhanced by design that focuses on these requirements rather than 'doing what has always been done'

Back to the 'special projects' – why do they get corporate interest and funding? Because they are seen to be the means to enhance service. Good asset management can do more in this area – and for less cost. It takes creativity – so boast about the values served, the outcomes, NOT the processes, not what you did! (see next page)

Boasting – Choose your Targets Judiciously

If it is worth doing,
it is worth letting
everyone know
about it!

(Some exercises, and remember – no pain, no gain!)

Look back over the renewal projects that you have carried out in the last, say, 6 months. Did they have aspects of service change that can be promoted and 'sold' (eg the Adelaide Bridge or NSW railway station examples above)? Chances are they did. Did you take full advantage of them?

Exercise 1.

Either for recently completed projects or projects that are currently underway, focus on the service improvements that are offered. Team up with your media people to design a promotion based around them. Show that Asset Management can come up with creative solutions to corporate objectives. Change the board's view of asset management from 'costly problem' to 'useful solution finder'.

Exercise 2.

Be proactive. Make sure you understand the critical issues for your board or council; the public values that they wish to enhance: safety, amenity, aesthetics, access, whatever. This may vary from asset to asset. Don't assume that your values are *their* values! You will probably be far more long-term oriented than your board or council. Find a way to incorporate *their* objectives whilst managing your own. And when you present your projects, present them in terms of *their* objectives. That's what they want to hear – and it is why new capital works and special projects get their attention. You don't have to 'sell out' your long-term objectives, just incorporate them with the current corporate objectives. This is easier to do if you focus on the values that are to be achieved, rather than the processes that you wish to adopt.

Exercise 3.

No one wields influence in isolation. It is a contradiction in terms. So put effort into understanding what others want. Create alliances with media, marketing, public relations, client services and, yes, finance! Remember 'seek first to understand, then to be understood'. So don't try to ram your long-term objectives down the throats of others who have more short-term objectives, just look for ways in which both may be accommodated.

Next issue:

More on influence – What you, as an asset manager can know, far better than anyone else in the organisation, and why this knowledge is critical.

Also, our case study looks at an organisation that used asset management to cut down a 1 million dollar plus renewal problem to a manageable couple of hundred thousand dollars using basic asset management practices – and you can do it, too.

COULD YOU REDUCE YOUR ENERGY CONSUMPTION 30% IN 5 YEARS?

This is **British Waterways**
Objective – and this is how they are
going to do it.

ENERGY CAMPAIGN FOCUSED ON REDUCING ELECTRICITY CONSUMPTION.

Why and How?

Why? To meet global energy reduction targets under Kyoto; to be a good corporate citizen concerned with the environment, and to reduce costs to the community. *How?* They called in specialists and identified key roles and responsibilities, led from the top. See 1. [“Focus and Resources”, p. 46](#)

2. The first problem that they
encountered was

HOW TO DETERMINE THE BASELINE AND ESTABLISH ACCURATE, TIMELY RECORDS

What did they do?

Locating over 800 meters posed some problems; reading them posed others, but establishing a consistent methodology was the key. See 2. [“Baseline and Measurement”, p 46](#)

3. Their initial target was 5% by
2005....

**IN THE EVENT ENERGY CONSUMPTION AT MAJOR SITES (ACCOUNTING FOR 50%
OF TOTAL CONSUMPTION) FELL BY 7%.**

How did they do it?

Initial gains came from simple things like switching off lights or machinery when not in use and other no or low capital cost solutions. See 3. [“Good Housekeeping”, p 47](#)

4. Any change process requires

WINNING THE BATTLE FOR HEARTS AND MINDS.

What did BW do?

Saving money is not necessarily the motivation for staff—although it generally is for management, how do you manage both? See 4. [“Motivation”, p. 47](#)

5. British Waterways' longer
run goal is a massive

30% REDUCTION ON THE 2004 BASELINE BY 2008

Will they make it?

Could you?

See 5. [“Commitment”, p 48](#)

1. Focus and Resources

1. Why an Energy Campaign?

Senior Management. The drivers. As for anything, full support is needed at the top! There need to be powerful drivers: e.g. the need to meet statutory obligations, or make significant cost savings. In the UK there are global energy saving targets that companies are expected to meet. BW has a good reputation with the community for its work in heritage preservation and environmental conservation; there is, therefore, additional expectations on them that they act in a sustainable manner.

2. How?

Targeting. Identify who are the key people and focus resources on them. In order to create energy saving as a cultural value and norm, it is worth applying mass publicity to raise awareness of the remainder. But a balance between key players and others must be carefully struck.

Funding/ Investment. Previous analysis suggests that in order to run an effective campaign the investment level needs to be between 1% and 2% of the total annual utility bill. Example: Iceland Frozen Foods designed their own campaign. For an investment of \$20,000 they saved \$200,000 in reduced electricity bills in less than 12 months.

Roles and Responsibilities They identified the key roles and responsibilities including an Energy Technical Working Group to lead the campaign and scope out priorities /actions for the future; Energy Champions in each business unit and department to act as a local focus for the Energy Campaign; a Sustainability Advisor to provide advice and guidance and

Maintenance and Engineering Specialists to give expert advice and recommend ways of reducing energy consumption when repairing or replacing equipment. "M&E have invaluable knowledge of the network to allow location of the meters for data collection. Meter readings should be taken as a routine part of the work when visiting sites and the data forwarded to the appropriate Energy Champions."

Tip:

Use specialist assistance.

BW called on The Carbon Trust, an independent company funded by the government to help companies reduce carbon emissions. They help companies save money by cutting energy use, even to providing free surveys and interest free loans. And they provide a special Carbon Management service to companies prepared to take carbon management to a strategic level. <http://www.thecarbontrust.co.uk/carbontrust/>

2. Baseline and Measurement

Half of British Waterways' energy consumption is accounted for by its major sites where meters – 33 meters - are read automatically every half hour. This provides good data and timely feedback for a reduction program. It is the remaining 50% of consumption –about 770 meters - that is problematical with some locations, and their meters, being remote, unmanned, and difficult to access. These meters are billed monthly (58) or quarterly (710), often by estimation for several billing sessions in a row, with eventual adjustment when the meters are read. These are not conducive to either good quality information or timely feedback.

Case Study: British Waterways' Energy Reduction Campaign

Tip:

Use Specialist Assistance, 2.

British Waterways use energy brokers who are responsible for negotiating contracts for BW energy supply and validating the bills paid to the energy supplier. They also review the energy used against the agreed consumption amount on the five-year connection agreements. If sites use less, the agreements can be reviewed but only at the end of the contract period.

To overcome this problem without the need to send scarce manpower to remote locations, BW now requires that Meter readings should be taken as a routine part of the work when visiting sites for repair or maintenance and the data forwarded to the appropriate Energy Champions.

More than one goal is served. Locating, reading and adding all BW's electricity meters to the national electricity supply contract will ensure the correct level of charging for each meter. The best overall deal for BW can also be established. Furthermore, locating electricity meters is part of the maintaining BW statutory safety obligations and legal responsibilities.

Don't assume! BW recognize that they have many different meters from different generations still in operation and they do not expect that everyone on their staff can automatically read them – so they provide simple and practical instructions for each meter type.

If a contract is reduced or terminated it may be difficult to get it back at a later stage, so it is important to analyse likely future need and supply options. The energy brokers are used to arrange installation of new meters and their payment records are the basis of a consistent approach to analyzing electricity consumption on sites.

3. Good Housekeeping

Tip:

Areas for "quick wins" included looking carefully at the large numbers of their sanitary stations and mess room that, due to their intermittent use, could have the scope for abuse of energy use.

As part of the Energy Campaign a range of BW workplaces were audited for energy consumption and efficiency. From these came a number of recommendations. Of the top ten common energy saving opportunities, four were related simply to good housekeeping – in heating, lighting, small power and catering. Simple things like switching off lights or machinery when not in use, keeping windows and light fittings clean, draft proofing and keeping windows closed when the heaters were on, wearing sensible clothing to minimize heating and cooling, setting appropriate controls on water heating, etc. Two were related to upgrading controls (heating and lighting). These are either no cost or low cost options. Staff awareness was identified as a major source of saving.

4. Motivation

Tip:

Expressing the savings in practical (non-monetary) terms can be helpful, eg

Did you know?

A 100W light bulb left on overnight uses enough energy to back pump a lock full of water.

A PC monitor left on overnight wastes enough energy to laser print 800 A4 copies.

Raising Enthusiasm

Some people within an organization judge the success of an energy campaign by how much money it saves. Their prime motivator is cost reduction. Others are not so interested in saving energy to save their organization money – particularly if they see money wasted elsewhere.

Posters and Stickers are not an energy campaign on their own. As one of a number of other initiatives in a coordinated strategy they can be useful reminders.

Caution: Co-ordinate the timing of an energy campaign so that it gets the recognition it deserves. (i.e. watch that it doesn't clash with other exciting initiatives.) Another factor affecting campaigns is overall staff morale. Saving energy require staff co-operation and if staff feel grieved about a corporate issue they usually hit back at easy targets such as energy campaigns.

Tip:

It is important to set up a response mechanism (e.g. allocate staff time) to adequately respond to the number of ideas, suggestions and questions generated by the campaign. An efficient response mechanism helps to maintain interest. BW have regular quarterly forums of Energy Champions to share best practice and respond to issues/ questions.

In 2004 the composition of its renewable energy was as follows, but proportions are expected to change: Small scale hydro 55.8%, Landfill gas 19.7%, Off shore wind 0.1%, On-shore wind 5.1%, Sewage gas 0.8%, Tidal 13.3% and Waste 5.3%) (Ed: current signs are that the UK (and Australia) is being 'softened up' to accept nuclear power.)

Maintaining Enthusiasm

BW already have good induction/communication processes. (See SAM 66 and 102 for details) They have adopted a "Cutting the Cost" section in their monthly staff bulletin as a way of communicating progress of the campaign, as well as energy saving ideas and initiatives/projects to all of BW. Graphs and measures are also posted on their intranet.

Care in Directing Enthusiasm

"All renewable energy is good irrespective of the current commercial price of energy" This is the idea that any renewable energy source must be good for the environment even if it can't be justified in the current energy market. However the energy balance has to be considered; if building an installation takes more energy than it can produce, it is not sustainable to install it.

British Waterways has potential for generation of hydro-electricity although not large scale hydro, actually mini hydro or micro hydro. On the M&E Site on the BW intranet, the leading advisor has posted a paper on "Mini and Micro Hydro: A guide to potential on BW", together with the invitation to forward any scheme for potential of at least 25KW for analysis.

5. Commitment

BW's Corporate milestones

- Reduction of 5% 2005
- Reduction of 10% on 2004 levels by 2006
- Reduction of 30% on 2004 levels by 2008

Britain is a signatory to the Kyoto Agreement. They have a legally binding target under the Kyoto Protocol to cut greenhouse gas emissions by 12.5% on 1990 levels and aims to cut emissions of carbon dioxide by 20% by 2010. The government has levied a Climate Levy Charge of 0.43p per kWh. Companies that purchase renewable energy do not have to pay the levy. British Waterways has committed to 100% renewables and pays its energy broker a 0.40p surcharge to do this, but in doing so saves the levy of 0.43p.

Australia and America are not signatories to the Kyoto Agreement. Many citizens of these countries are deeply ashamed that their governments are not prepared to hold up their end of the log! Fortunately we don't have to wait for government action. Energy conservation makes sense without it. Energy saving is cost saving and with the price of oil and gas rising and the security of their supply falling more potential projects to reduce overall demand and to switch to renewables are making economic sense.

INFLUENCE: See SAM 66 and SAM 102 in the **Subscriber Archives**, www.amqi.com for many good examples of AM influence in British Waterways.

My thanks to Graham Holland, Asset Manager, British Waterways