

THE STRATEGIC IMPACT OF LEAN EDUCATION IN THE UTILITIES SECTOR

Utilities: Energy Case Study



Organization Profile

A commercial state body, operating in the energy sector.

Responsible for transmission and distribution networks and commercial arrangements for exploitation of natural gas networks.

Project Goals

Embed Lean Thinking as a core pillar for meeting the clients' strategic and operational objectives in a newly deregulated market.

Project Timeframe

2 years

Key Deliverables

Assess the impact of Lean education on the realization of strategic objectives

Initial pilot program extended from 12 to currently over 40 staff due to success

Elimination of non-value added activities across a range of projects

Leading Edge Group designed and delivered a pilot program to assess the strategic impact of Lean education on the company

Leading Edge Group was engaged to design and deliver a pilot educational program with the objective of determining if Lean principles and practices could successfully support the client's strategic objectives of the company.

The client's strategic and operational landscape was altering fundamentally and rapidly. The organization faced changes in international and national energy regulation, government policy and market and customer behaviour.

Senior executives at the company recognized the potential of Lean as a key pillar in achieving strategic and operational excellence and appointed a senior executive member with the responsibility of overseeing a Lean transformation program across the organization. Education is frequently a first step in any Lean transformation and the decision was reached to undertake a pilot program to ensure that the investment would deliver results.

The client approached LEG as a result of its reputation as a global leader in the provision of Lean certification training and its track record in the implementation of Lean and Continuous Improvement programs. The combination of education and practice was paramount to the success of the pilot.

The pilot was built around delivering Lean Green Belt Certification for a group of 12 staff members. Such has been the success of the pilot program and the associated project implementations, that Lean Green Belt certification has now been extended to over forty staff members across the organisation, to date.

"Since 2007, the organization has commissioned Leading Edge Group to provide a series of Lean Green Belt training courses. The company has adopted a collaborative approach to ensure that the courses are very much tailored to suit the specific needs of our organisation. They are consistently professional and flexible in meeting our requirements and the staff have always been helpful and efficient in dealing with any queries. I would not hesitate in recommending the Leading Edge Group" (Organizational Training Director)

How was the project implemented?

12 core staff members were selected to receive Lean Green Belt certification, aimed at achieving competency and confidence in the effective application of Lean Thinking to the organizational context.

Participants undertook the blended program, combining in-house training, led by a LEG Senior Lean facilitator, with online access to program lessons, mentoring support, Lean resources, and a Lean discussion forum.

The Green Belt was selected due to the project component which would allow for quick “wins”, the immediate application of learning and enable early assessment of the impact on the organization.

Projects were selected following consultations between participants and management and with input from LEG to ensure projects would allow participants to apply their learning to real, internal processes and problems and the organization would experience an immediate Return on Investment.

Some of the Green Belt projects implemented included:

- Reducing/standardizing delivery time for IT change requests
- Improving information flow between Sales and Customer Services
- Streamlining the account creation process
- Improving estimation warning letters and outbound calling procedures

Lean Green Belt project savings achieved to date include:

- 50% reduction in the number of touch points involved in the quotation process
- 85% reduction in the number of commercial quotes outside service level agreements
- 90% reduction in the number of customer complaints relating to quotations
- +50% reduction in turnaround time for contact centre emails
- 20-30% decrease in time spent writing non-value-add weekly, monthly, and quarterly reports

Frequently Used Terms

Term	Description
Continuous Improvement	The act of enhancing the deliverable value to the customer by evaluating and improving the organization’s products, services or processes on a continuous basis.
Non-Value Added Activity	Any activity that does not add value to a product or service from the customer’s perspective.
Blended Belt	A Lean Belt program delivered through a combination of both classroom and online components.

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