

## Case Study:

# Change Management Support Provided During Strategic System Replacement at Eskom Distribution

## The Client

Eskom Distribution manages the delivery of electricity across six regions in South Africa. The business is divided into Wires and Retail components; this project was performed in the wires business (engineering / technical divisions).

## The Challenge

Eskom Distribution needed to replace its Distribution Management System (DMS) because it had reached the end of its life cycle. A new system was bought from a large multinational power systems supplier to replace the mission-critical SCADA system, a component of the DMS.

The current system has been operational for 10 years in the business and each of the five Distribution regions have customised the system to meet their own needs. Not only did Eskom Distribution want to move all regions off a stable existing platform, it also wanted to migrate them onto a standard platform with minimal customisations at a regional level.

The standardisation and integration of the system across regions would be a massive change for the organisation. The project was complex from a process point of view, affected multiple value chains and would be done in a staged manner (SCADA and then the rest of the applications). A further complication was that the maturity of source systems and data integrity was uncertain.

Eskom Distribution engaged EON Solutions to help it with the following dimensions of the project:

- Human resource management services: learning solution design, job design and profile updating as well as resource analysis.
- Change management services: change readiness assessments, resistance management, coaching services, and communication services.
- Process design expertise and rollout facilitation planning.
- Business driver analysis.

## The EON Solution

EON's customised solution was developed around the Prosci Change Management best practices. Using the three-phased approach recommended in the toolkit (i.e. preparing for change, managing change and reinforcing Change) was useful but not adequate for analysis purposes. Our 'preparing for change' phase consisted of a delivery planning overview of nine key areas.

We started the assignment by determining the size and scope of the replacement project and used Prosci's standard sizing survey in combination with discussions with the sponsors and managers involved in the project.

We discovered that management and operational staff saw the required changes and the impact they could have from opposing viewpoints. We customised the initial project to deal with particular issues relevant to the client and the impact they could have on his business.

A change readiness survey was conducted to determine the readiness of the organisation for managing the changes that are to be implemented. One useful technique we applied was the force field analysis that uncovered the driving and restraining forces below.

Driving Forces	Restraining Forces
Interoperable network Applications	Cost of development
Emerging industry Wide Standards	Products don't do everything
Easier Access to enterprise wide data	Vendor integration preferences
Minimal change to new / existing systems	Deciding what data to route
Consistent enterprise wide data	Deciding what data to warehouse
Flexibility to support business change	Deciding how to orchestrate processes
Support of web services	Keeping redundant data synchronised
Reduced development time	Resolving data quality issues
Reduced maintenance costs	Lack of training / Understanding
Availability of external services	Power of internal experts
Scalable business process automation	Inertia – Why Change?
Improved business intelligence	Feelings that job maybe threatened
Improved business activity monitoring	Not invented here syndrome

Based on our assessments of the client's reality, we designed a range of interventions to help the company's distributed leadership to master technology driven change problems (i.e. journey support with system replacement, process redesign and skills development).

## The EON Effect

Our initiatives translated into the following benefits for the client:

- Clarity of Direction.
- Clarity of Structures.
- Clarity of Measurement.
- Successful Goal Achievement.
- Results Oriented Problem Solving.
- Associates Are Assets and Resources.

After completion of the SCADA change management project, the integration scope was revisited by the client and we realised that original views about system maturity in other areas in the business were overrated. We are now working with Eskom to understand the level of maturity of their processes and systems in the Network Asset Creation Value Chain.

Gert J Pienaar +27(0)827843381, gert.pienaar@eon.co.za