

Organisation Review for Major Networks Business

the challenge

The Field Services Division of a major networks business had been through a number of organisational changes since 2000, as a result of the aggregation of a number of predecessor municipal electricity Boards.

The steady change to the Division's structure resulted in unnecessarily complex work flows, unclear role definition, and largely decentralised decision making. The combination of a significant increase in the Program of Work to be delivered and a tightening of the available external resource market exacerbated these issues and negatively impacted performance.

what Marchment Hill did

Marchment Hill Consulting undertook an extensive review of the existing organisational structure and its perceived strengths and weaknesses, as well as examining the structures of other similar businesses.

Having established a case for structural change, we used our deep industry knowledge and experience to produce a recommended organisational structure. Internal support for the recommended structure was developed through a highly consultative process.

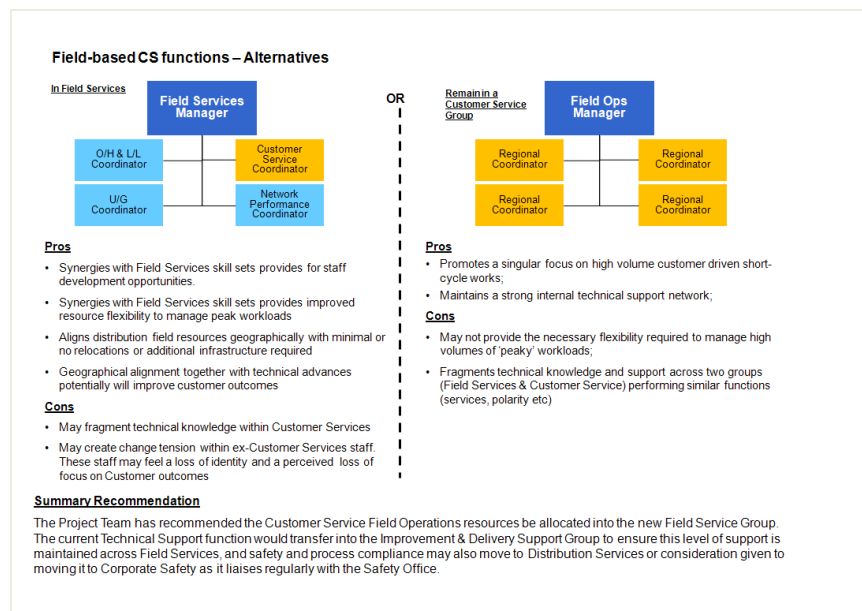


Figure 1: Assessment of alternative Field Services structures

Once major decisions regarding the desired structure were made, fine tuning of individual functions was undertaken with simple analysis.

Features of the recommended structure included:

- a single conduit of work into the Division from upstream planning groups, ensuring that the entire work program is balanced to meet resource and outage capacity
- greater centralisation of Works Scheduling, driving efficiency for field force crews through more comprehensive Programs of Work
- greater coordination of contract management activities, allowing scale to be more easily leveraged and reducing procurement compliance risk
- centralised design resources that are shared across the Division and scheduled as per other resource types
- introduction of specialist groups to support the Division with both 'top-down' (i.e. strategic) Business Improvement initiatives, and 'bottom-up' (i.e. operational) Continuous Improvement programs, established to support an aggressive change agenda.

the benefit

While the recommended model delivered moderate financial benefits through removal of duplication, the resultant organisation structure catalysed a change in work processes that has seen major performance indicators for the Division return improved outcomes.

The review also identified a number of issues regarding interfaces the Division and other groups that the organisation has subsequently worked to address.

For further information, visit marchmenthill.com