

SAP Customer Success Story Utilities



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Markos Chouris, Manager for IT Strategy and Architecture, ETSA Utilities

AT A GLANCE

Company name
ETSA Utilities

Location
Adelaide

Products and Services
Electricity distribution

Revenue
Upwards of \$850 million

Employees
1,600

Website
www.etsautilities.com.au

Challenges & Opportunities

- A need to improve engagement with key stakeholders, such as Energy Retailers and Electricians
- A need to consolidate IT skills around a specific technology
- A desire to reuse technology to expand the project to enhance relationships with customers and suppliers

Project Objectives

- Simplify the request process for new connections, metering changes, service alterations, system augmentation or permanent removal of electricity supply
- Reduce turn around time and handling time on such requests
- Provide greater flexibility through web-based 24/7 self-service facility

Solutions and Services

- SAP NetWeaver
- SAP Services

Why SAP Solutions

- Leveraged existing SAP software investment
- Leveraged and augmented existing internal SAP skills

- Platform could be reused to further expand customer contact facilities

Implementation Highlights

- 400 of a potential 600 users now use the web-based request facility
- Project completed on time within seven months and under budget
- Strong buy-in from key business leaders within the company
- Strong internal SAP skills, and future proof platform

Key Benefits

Quantitative benefits:

- Request process duration reduced from 25 days average to 10 days
- Reduced handling time on relevant requests, 25 percent of call volume now processed via the web
- Project came in at just \$385,000, \$20,000 below its initial budget

Qualitative benefits:

- Management gained access to additional customer data to form the basis of more strategic decision making
- Access to level of business reporting not previously available
- Improved data cleanliness and less manual data checking required
- Enthusiastic stakeholders now requesting enhanced features
- Reduction in manual processing for customers and suppliers

ETSA UTILITIES

Electricity distributor ETSA Utilities, simplifies connections with SAP NetWeaver

Placing the Customer at the Centre

In 2005 South Australia's electricity distributor ETSA Utilities set out on a decidedly different track to what it had been taking. Charged with maintaining a safe and reliable electricity network in a highly regulated sector, the company was looking to improve its operations through the eyes of customers and suppliers.

Positioned between energy generators and the end users, ETSA Utilities transports electricity to more than 782,000 customers spread across 180,000 square km in one of Australia's most sparsely populated states. The company's 1,600 employees need to connect customers to the network in a timely fashion, collect meter data, maintain public lighting, extend and upgrade the network as well as ensure it has the requisite capacity to meet customer demands.

In an effort to improve customer service, the technology team was directed to look for ways to reduce the amount of time it took customers to order or change their electricity connection. However, there was an added complication: ETSA Utilities' connections with its customers is partly mediated by electricians, and electricity retailers. Making the customer happy, meant providing these stakeholders with flexible, easy-to-use connection services.

What ETSA Utilities needed was a way to open up service databases, display the information via the web in real time and allow electricians to not only request a service but also indicate when it would be the right time to get that service

completed. Moreover, according to project leader and ETSA Utilities Manager for IT Strategy and Architecture, Markos Chouris, the project would also pave the way for other flexible web-based customer-service features to be added later on.

“We needed to make a decision about which technology would be the best to invest in, not just for this development, but also for future projects,” explains Chouris.

“Whichever technology we chose would need to provide us with a strategic advantage.”

Considering the Alternatives

The first cab off the rank when it came to improving the customer experience was a web-based system to decrease the time it took for customers to order new connections, metering changes, service alterations, system augmentation or permanent removal of electricity supply. Originally this was an eight-step process in which customer information was passed from electricians to electricity retailers, on to ETSA Utilities then back to the retailers, and then back again in order to complete the booking. The initial challenge was to create a web-based platform to improve data quality, automate some of the above processing steps and thus make the whole process quicker and more efficient.

Prior to the project, the request process surrounding a new connection was excessively complex, and prone to hold ups and human error. Forms which had been incorrectly completed in the first place would have to be cycled back to the electricians, and staff were spending far too much time responding to status queries. Moreover, the electricians themselves were asking for self-service facilities to be made available via the web outside of business hours, in order to streamline their own operations.

To be successful, the project would involve a tight integration of the company’s work planning system which was based on SAP ERP technology along with its Click Schedule work

scheduling and dispatch system. These would then need to be integrated with data from its sales and billing system, which was also part of the SAP ERP, as well as a 3rd party customer relationship management suite.

Realising the solution would need to be web-based, ETSA Utilities considered various technologies such as Microsoft’s .Net, or an internally built system based on SAP NetWeaver

technology. An internal build would mean investing in training, and a large part of the decision rested on which skills set would leave the utility better placed to respond to demands on its technology. Ultimately the decision came down in favour of training up internal staff as SAP developers, so as

to deliver both the initial project as well as pave the way for future developments. Not only was SAP a good fit with the company’s installed technological base, but it was also considered the best option to create design elements which could be easily reused in order to provide web-based services in other areas.

Powering Through the Project

Backed by a hearty endorsement from the executive, ETSA Utilities’ IT team began the task of training internal staff and carrying out the technology integration using SAP NetWeaver. Already using the information integration component of NetWeaver in its business information warehouse, ETSA Utilities’ IT team began to use NetWeaver’s application platform to streamline connectivity and develop custom web-based applications.

At the same time it was crucial to ensure buy-in from the relevant stakeholders, especially the electricians. While the internal IT staff worked at integrating the different data sources, the communications team was keeping in constant contact with the outside world, running road shows and providing ETSA Utilities customers and suppliers with regular updates on how the project was progressing.

“We saw it as essential to design a system that would meet the needs of the stakeholders, so we sought their involvement in the project from the ground level. By testing the prototypes and providing us with feedback, they helped us to design a system they would be happy to use.”

Markos Chouris, Manager for IT Strategy and Architecture, ETSA Utilities

Beginning in November 2005, the design phase took two SAP Services consultants and up to six ETSA Utilities IT staff a little over two months to complete. Training as they went, ETSA Utilities staff had had little or no experience with web development using SAP Netweaver technology, yet now enable the company to operate this platform without any third party intervention. With the design complete, the implementation began. Two more ETSA Utilities staff came onto the project to help out during peak times, and the whole project was completed on time and \$20,000 under budget.

Helping the Customer Help Themselves

The old eight step process which involved passing the same piece of information through no less than six different human operators, has now been replaced by a largely automated four step process, which enables electricians to enter customer details directly onto ETSA Utilities' database via the website.

Not only does this provide the electrical contractor with the flexibility to work outside business hours, it has also eliminated the need for the manual processing of faxes, improved the quality of the data entered, and has enabled the business to consolidate and track data so as to better respond to customer queries.

As the electrician progresses through the online form, the software connects in real-time to the non-SAP Customer Relationship Management System and retrieves customer details such as their retailer, meter number and site address. Once the form is complete, NetWeaver automatically sends the service details back to the customer's electricity retailer for the request to be confirmed.

The system communicates in real-time with ETSA Utilities' Click Schedule work scheduling and dispatch system. Taking account of the address, service type and other details, it matches them with the availability rosters, travel times and other details of ETSA Utilities' technicians. It then presents the user with a series of possible appointment times similar to an airline booking system. The electrician selects their preferred appointment time and clicks the button to submit the booking.

By any measure the project has been a success, achieving a signup of 70 percent of potential end users within the first 12 months, cutting back on call centre workload both at ETSA Utilities and at its retailer partners; data is cleaner and more readily available. Moreover, customers can get a better idea as to how their account is progressing and the average time it takes to complete a connection request has been reduced from 25 days to just 10 days.

Valuable Lessons Learnt

Delighted with the outcome, project leader Markos Chouris says the key lesson learnt throughout the SAP Netweaver implementation was the importance of usability.

“By exposing your back-office systems in this way, you are subjecting them to the most significant acceptance test possible, as your customers are not prepared to wait with an hourglass while your systems take time to think,” Chouris offers. “It's important therefore that you deal with any shortcomings before you open up your systems to your customer base.”

“It's really the ideal solution because now that we have the skills internally, much of the NetWeaver development is reusable which significantly reduces the time any future work will take us to complete. The difficult integration work is complete, and it's just a matter of looking at other ways to assist the customer, and improve their experience with ETSA Utilities.”

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In fact, the design phase of the project lasted a full three months, during which time Chouris and his team were predominantly focussed on creating and testing prototypes to create intuitive, easy-to-use designs.

“We saw it as essential to design a system that would meet the needs of the stakeholders, so we sought their involvement in the project from the ground level,” Chouris says. “By testing the prototypes and providing us with feedback, they helped us to design a system they would be happy to use.”

However, usability wasn't the only issue Chouris had to face. He was also keen to ensure that the internal data sources would be sufficiently robust to allow access at any time of the day or night.

"The internal system needed to operate between nine and five each day, but once we put it online there was the expectation that it would be available 24/7," Chouris says.

At the same time, he was keen to ensure that stakeholders felt they had a genuine choice between using the new web-based system, or continuing to use traditional methods of contacting the company.

"Change management can be interesting, especially when you are dealing with external parties," Chouris says. "Most of all we don't want to force anyone to adapt to the new technology. We still support fax based requests while we continue to make the web-based approach more and more attractive to the electrical contractors."

Looking to the Future

As it turned out the combination of robust systems and usability has been tremendously popular amongst the electrical contractors for whom the site was designed. While his initial expectation was that approximately 45 percent of contractors would opt to use web-based ordering, Chouris says within 12 months of the launch of the new website over 70 percent of contractors have signed up to process their service orders online. Nonetheless, he is still looking for ways to improve the web-interface, so as to provide the remaining 30 percent with an incentive for using the web-based service.

The company is also looking at enhancing management reporting, improving the appointment booking function, and extending the online request service to job applications processing, as well as creating a checking facility for service level agreements and penalties.

"Because we did the fairly extensive planning work on this initial implementation, we now have cleaner data, and a more transparent order tracking process," Chouris says. "This will allow us to streamline other processes such as material ordering, switching sheet management and automatic credit card invoice processing."

Moreover, as SAP NetWeaver allows procedures to be reused, Chouris anticipates being able to cut back on development time, whilst incrementally enhancing the web-based services ETSA Utilities provides to staff, suppliers and stakeholders.

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