

The new age of energy leadership

James Brittain, Director of the Discovery Mill, returns to share some insights on behaviour change, energy management and energy leadership.

We know people don't often like change. But really, it depends on whether change is being done to people or whether they are leading up change themselves.

This article introduces a very basic energy leadership model that we use to help make changes easier to deal with when driving energy savings and performance improvements within facilities and property estates. It's an optional tool for energy and environmental managers and champions to use based on two key questions.

1. What type of energy leader are you?
2. Where do you need to be or want to be in the future?

The big idea is that, by understanding behaviours and attitudes and seeing them in others, you will not only be able to use this to help improve your own performance and approach to managing change, but it will also help you to encourage and support colleagues to do the same.

The fear of making mistakes

Focusing on energy management over the last 20 years or so, we have come to realise that the greatest cause of energy inefficiency in organisations is a fear of making mistakes.

The fear of being wrong means that organisations go for the "safe" decision, or rely too much on experts or service providers, and just hope their buildings and systems are going to be energy efficient.

I am an engineer. In designing systems, assumptions are made about operations, perceptions and behaviours. And as engineers are all human and therefore risk adverse, we naturally err on the side of caution and therefore overprovide or don't really focus on exactly what the customer needs.

This means that many services end up with elements that do not add any value for the customer. Because of this, there is inevitably significant, avoidable energy waste inherent in nearly all our facilities and operations.

Survive or thrive

The flip side to this point is an opportunity for energy and environmental management teams to deliver significant energy savings for their organisations to help cut costs, manage ever-increasing energy prices and significantly reduce associated environmental impact.

Organisations such as the Carbon Trust and the European Environment Agency estimate that 5–20% savings are possible from effective behavioural measures. Our experience suggests that the UK potential could be higher.

To thrive, managers should not rely on technical solutions alone. Because behaviour is involved, people have to be taken into account. Technology, behaviour and operations must all be connected up.

"Surviving" typically means we carry on as we are, business as usual. This situation is characterised by fear, anxiety and a lack of trust. The fear of making mistakes dominates.

Alternatively, organisations can focus on "thriving". This is about courage and trying things out. If managers get this right in energy terms, this is the only way of being confident that organisations are only using what they need.



The most effective way to energise change in this way is to promote a leadership approach, taken on by people throughout an organisation, ie not just the CEO and directors.

Organisations have the opportunity to empower their people and staff to take ownership locally, making the most of their local knowledge and creativity, within an approach that is managed. For energy champions, this gives them an opportunity for them to grow their environmental skills, and learn and develop as much as they can.

Energy leadership model

At the Discovery Mill, we have developed a simple energy leadership model for facilities and property teams to help them and colleagues to thrive. It is continuously improving, and clients have found it a useful tool.

The model is meant to be a simple guide. It is not based on theories, as such, but on practical experience and feedback over the last 20 years of leading up energy performance improvement projects across a wide variety of industry sectors. In its rawest, most simple form, it is a collection of typical feedback statements that we often hear when we speak to people on the ground while doing energy audits.

There are five levels. The profiles are not meant to criticise or degrade anyone in any way, although you may want to keep your assessment of others to yourself!

Level 1: "It's on most of the time"

At level 1, we find the culture is to tend to leave equipment on, running all the time for maximum service, or quite often because people think there are perceived service or reliability issues. This is the Rolls-Royce service, where actually all you are doing is significantly overproviding.

This is much more typical than people might think — lots of avoidable waste translates into a big opportunity. We see evidence of this in about half of the organisations we visit.

At this level, organisations need to focus on technical fixes such as LED lighting or installing inverter drives to save energy but also to help create the green sparks of interest and momentum for the people involved.

Level 2: "Toe the line"

A little tongue in cheek, we term level 2 "Toe the line". Yes, some equipment is switched off and people are active in energy saving, but only for actions that they

consider to be low risk. The fear of making mistakes still dominates. On energy walk-rounds or audits, you would typically see lots of visible opportunities such as outside lights burning during the day or PCs left on when unattended.

The problem here is that people generally see energy savings as going against other operational objectives. Operational requirements take precedent: filing cabinets and piles of paperwork may literally get in the way of heating systems so they don't work properly.

To inspire colleagues, quite often you need to become an agent provocateur to shake things up, as prioritising energy efficiency may be seen as a local crime. The simple messages work best here: "Switch it off" and "Turn it down".

Level 3: "Everyday champion"

Everyday champions can thrive in most organisational cultures. This level is usually about doing the right thing and making things work as intended, focusing on well-known technical measures but without resorting to trying out new things.

Quick wins can often come about from champions working by themselves in areas they know well. For best results, the focus should be on good practice in design, operation and maintenance and system recommissioning if required. There is pride in ensuring systems are working well. People often take satisfaction from getting involved and enjoying what they do.

Level 3 leaders can sometimes find it difficult to inspire and encourage colleagues to get involved, so they end up doing it themselves. Often there are many ideas and opportunities but champions are not sure which ones to prioritise. They can spend a lot of their time saving pennies. If champions move on, there also is a risk that a lot of the good progress can be lost.

Level 4: "Smart saver"

Level 4 starts to get quite sophisticated, often looking for projects that make improvements with multiple business benefits: Win-Win. Certainly, champions work at this level.

In 2007, the Discovery Mill refurbished the lighting of an

airport departures lounge based on this principle. Not only was energy consumption reduced by 60% by installing new globe lamps, but it also significantly improved the ambiance and lighting in the space. This project helped create the spark for the team to go on to deliver 30% energy savings over the following 3 years, and has been a pathfinder project for us ever since.

These types of big wins come about when people collaborate and work together — particularly if they have different perspectives. The focus is on linking up strategies and prioritising energy projects that improve service, occupant comfort and maintenance as well as delivering lower costs and better environmental performance.

There is no magic wand; it still requires hard work with applied intelligence using techniques such as the Pareto principle (which states that, often, 80% of the effects come from 20% of the action). Where champions often struggle is converting this into continuous learning and continuous improvement.

Level 5: "Only using what we need"

Level 5 is the pinnacle. This is the point at which managers are absolutely confident they are "only using what they need", focused on delivering overall best value and optimising all objectives over the longer term.

These leaders often have strong relationships right across the organisation. They understand people and what motivates them to get involved and are able to challenge and support colleagues in their contribution to energy saving. They are the movers and shakers. Energy performance is clearly integrated into the management structure with comprehensive targets and performance tracking. Effort is therefore



co-ordinated across the organisation, sharing workload and stress.

There are lots of characteristics to get this right; it's about being strategic, having an attitude of active and continuous learning and innovation, pushing boundaries and delivering a Win-Win-Win — where the third Win is for the people involved.

Welcome to the Age of the customer

Forrester, the market research firm, has modelled the sources of dominance in the market place since 1900: the "Age of manufacturing" (to 1960s), "Age of distribution" (1960–1990) and the "Age of information" (1990–2010). Forrester and others now position the dominant driver in the current market place as the "Age of the customer".

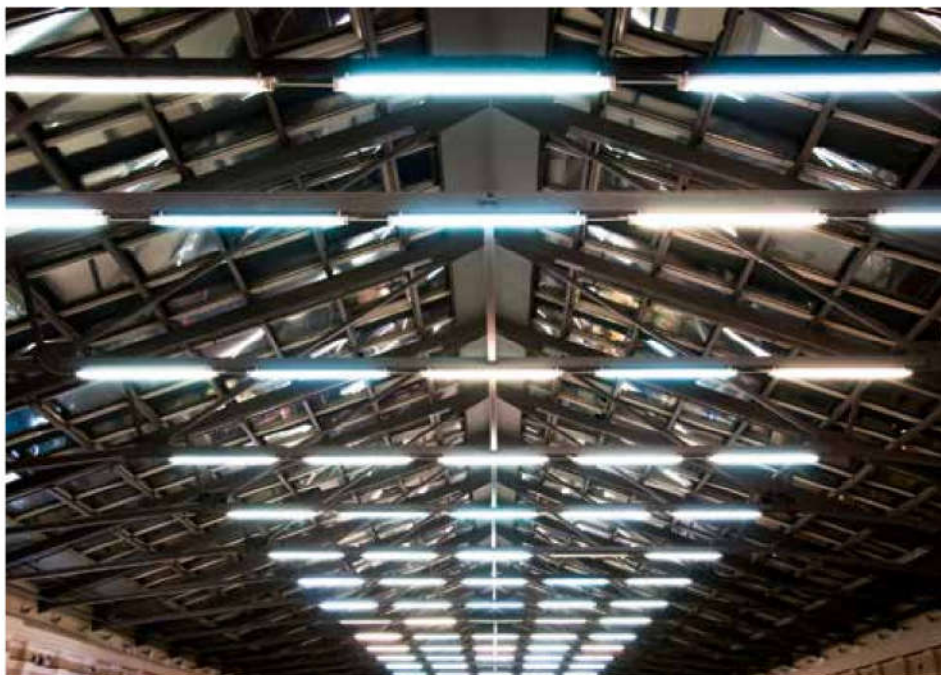
The "Internet of Things" has been part of this development. Researchers predict we could have between 35 billion and 50 billion "things" or devices connected to the internet by 2020. Born from the Age of information, this is impacting on the way we manage our facilities and environments. Technology is making it more and more local. People are now able to control their micro-climates over the internet; for example, you can see people adjusting their heating controls on the train on their way home.

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This all means that customers' expectations are changing. Most people now have smart phones. As they are becoming more empowered, researchers tell us they are expecting more.

Managing risk

In the Age of the customer, everything is now becoming more transparent. The customer is looking for an optimum level of service; a level we can think of as the element the customer sees and appreciates. Any previous perception that overproviding is less risk can now not be right when you think about it from the customer's



perspective in energy terms — the element that's not appreciated means costs are higher and there's a larger impact on the environment than necessary.

For people and organisations to thrive, the challenge is increasingly to target the part of the service that's not appreciated, which includes the significant amounts of avoidable energy waste that are inevitably present in the services we provide.

A response: the new age of energy leadership

In recent years, we have seen a new drive towards behavioural change and people-led approaches in organisations. There are currently lots of good projects going on.

More and more organisations are realising that the best way of doing this is for people within the organisation to take the lead on energy savings locally. These champions are thriving because they are best placed to understand the (changing) needs of customers, in energy terms, as they are the people closest to them on the ground.

The aim is to operate at Levels 4 or 5 of the model through local energy ownership or leadership. These champions are learning to use their fear of making mistakes by turning it into actions and continuous learning.

This is a new age for energy leadership — there is a need to work within energy management to help blend leadership with management and help connect up

the technical, operational and behavioural elements of energising change.

This cannot happen overnight. To be successful, there needs to be a process of getting fitter and staying fit; a process of continuous improvement; for the engineers amongst us, it has to be a process of continuous commissioning or optimisation.

Energy leadership provides one model to help to you thrive, one ladder for people and champions to climb. You can't just jump to the top. Our experience is that you have to climb one rung at a time.

What's important is that you go for it. Don't worry about being wrong or making mistakes. It doesn't have to involve anything fancy or risky. Set up the structures to manage the process and make a start. Initial small wins add up, build a track record and more often than not lead to bigger savings over time.

The underlying principles of people solutions don't change — focus on making it desirable, making it focused, making it integrated and making it continuous — and most importantly making it yours. ■

James Brittain is an energy management consultant with over 20 years' experience in industry. As the Director of the Discovery Mill, he specialises in energy management through people.