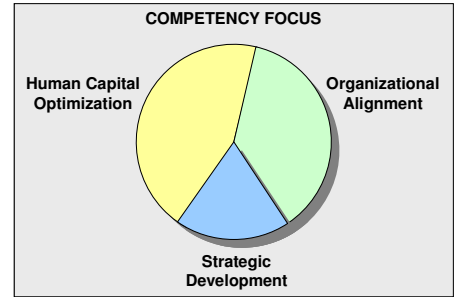


CLIENT: WESTERN AREA POWER ADMINISTRATION

INDUSTRY: POWER GENERATION
(Hydro-Power Generation and Transmission)

COMPETENCIES:

- Privatization Planning
- Strategic Analysis & Planning
- Mission Alignment
- Performance Optimization
- Executive Coaching
- Leadership Team Development
- Re-staffing / Resource Redeployment



CHALLENGE

To restructure the Western Area Power Administration (WAPA, a division of the Department of Energy) to operate like a private company, restructured for new business and organic internal growth.

RESULTS

A Leadership Team was formed from the functional leaders of the headquarters staff and the management of each of the regions. That team developed a business-based strategy which focused new attention on marketing the electricity (in a deregulated environment) and forming alliances with other electricity producers to share common resources (e.g., transmission lines). A key element of the new “business” was the development of the leadership team relative to free-market concerns. That became the focus of leadership team development in the year following this realignment.

Employee teams analyzed and restructured the organization. Since these were government employees, no one lost his/her job as a result of the zero-based staffing. However, there was significant redeployment of resources to support the increased power marketing functions. The engineering function was significantly reduced (in favor of outsourcing) and the displaced engineers went into other areas.

By centralizing and streamlining some functions (Finance, HR, and Power Marketing) and decentralizing others (transmission and vehicle maintenance) Western Area Power was able to save \$13.6M (on paper). However, the actual savings exceeded \$18M in the first year. The function was never privatized. However, other Power Administration areas were restructured along the same lines as WAPA and also realized similar savings.

BACKGROUND

At the time, the Department of Energy was considering the possibility for privatizing its hydro power assets. WAPA was selected to realign itself into a “private” company to help the Department of Energy understand the ramifications of such a move.

WAPA had approximately 2,700 all-government employees in five regions headquartered in Golden, CO.

PROCESS

The first project was to develop a business strategy, realign the organization to support that strategy, and redeploy the personnel to staff the structure effectively.

In a follow-on project, Ellen E. Colemire (President / CEO, Executive Consulting) provided executive coaching to the Director of WAPA and to the Leadership Team through all aspects of company transformation. In the project, the WAPA Team and the team led by Ellen Colemire centralized and/or decentralized business processes as necessary to provide the client with strategic business growth targets and help them meet the newly established financial goals.