



# PAKISTAN UTILITY EXECUTIVES EXAMINE U.S. STRATEGIES TO INCREASE PRODUCTIVITY

## EXECUTIVE EXCHANGE IN WASHINGTON, DC & RICHMOND, VIRGINIA

**WASHINGTON, DC & RICHMOND, VIRGINIA, U.S. – Senior managers from eight of Pakistan’s electricity distribution utilities recently met their counterparts to review U.S. best practices in change management, human resource management, and employee training. The U.S. Agency for International Development (USAID) supported this exchange to improve Pakistan distribution utility performance.**

USAID’s Power Distribution Program (PDP) is a three-year project conducted jointly with government-owned electric power distribution companies in Pakistan to improve their performance in the areas of loss-reduction, revenue collection, and customer services. As part of the Power Distribution Program’s capacity-building efforts in Pakistan, a delegation of eleven distribution executives engaged in meetings, presentations, roundtable discussions, and technical site visits in Baltimore Gas & Electric (BGE) in Baltimore, Maryland and Dominion Virginia Power in Richmond, Virginia, to identify the latest strategies in change management, human resource management, and training utilized in the U.S. electricity distribution sector.

### EXECUTIVE EXCHANGE HIGHLIGHTS

The Pakistan executives spent five days visiting BGE and Dominion Virginia Power. The primary objectives of this program were:

- Gain exposure to a modern change management process, including:
  - o Governance standards and policies
  - o Optimal organizational structures
  - o Stakeholder mapping, communication, and engagement
  - o Interaction with government or regulator at the policy level
  - o Short and long-term strategic planning
- Understand best practices in human resource management, including:
  - o Workforce Management & Performance Incentives
  - o Employee Recruitment Strategies
  - o Employee Retention
  - o Outsourcing & Contracting Decisions
- Gain knowledge in technical and managerial training and certification programs to improve employee performance and standardize knowledge and experience, including:
  - o Technical Training Programs for Operators, Linemen, and Maintenance Personnel
  - o Management Training Programs
  - o Health, Safety, and Environment (HSE) Standards and Enforcement



**Pakistan distribution executives present a plaque of appreciation to Dominion Virginia Power’s Director DVP Safety & Training Jerry Beverage.**



**Baltimore Gas & Electric Linemen Training Facility**

Above left & middle: Baltimore Gas & Electric linemen demonstrate their climbing gear emphasizing safety and versatility. BGE linemen are required to complete a “Stop, Assess, Focus, Evaluate” (SAFE) form prior to beginning any maintenance project to ensure safety is given the highest priority.

Above right: BGE’s pole training yard where workers can practice installing and repairing lines, reenacting real life situations in a safe environment.



**Baltimore Gas & Electric Customer Contact & Call Center**

Above: BGE’s Customer Relations is comprised of 214 representatives who field over 7 million customer calls and internet inquiries, in addition to over 43,000 emails per year. Calls are received 24/7 at two separate call centers, using an Interactive Voice Response (IVR), virtual hold, interpretation, call overflow, and predictive dialer systems. The Call Center handles disputes, outage reports and billing inquiries.



**Dominion Virginia Power Training Facility**

Left: Delegates toured the facility where Dominion trainees can work on un-electrified transformers, regulators and other substation equipment, as well as practice on a virtual SCADA control center.



### Dominion Virginia Power's "Zero - More Than Just a Number" safety campaign

Left & above: Safety is a key part of Dominion Virginia Power's culture and is integrated into every role of the company. A safety-first mindset has been achieved through an organizational change management process. For example, every company meeting begins with a safety message. Teams are rewarded for low injury rates, with celebratory lunches and small gifts. Teams have weekly calls to discuss recent injuries and discuss how the injury could have been prevented. Most recently, Dominion began a "Zero - More Than Just a Number" campaign across the company. Dominion wants their staff to strive for zero injuries and they communicate this through posters such as "Zero - the number of school plays your child wants you to miss because you are injured."

A key topic of the executive exchange program was on change management, which is organizational process aimed at helping employees to accept and embrace changes in their business environment. Baltimore Gas & Electric went through a large change management process as they restructured their company to one based on centers of excellence. This change required very open communication between all staff members, as well as the customers.

## BACKGROUND ON PAKISTAN'S POWER & ELECTRICITY DISTRIBUTION SECTOR

Pakistan's power sector is confronted by significant challenges. These include the limited availability of reliable and affordable electric power, aging and inadequate transmission and distribution networks, and utility policies and practices that lag behind those of advanced utilities elsewhere in the world. Additionally, the distribution utilities lack a robust technological infrastructure that can enable efficient back-office operations, such as handling customer service requests.

For major electric distribution utilities in Pakistan, these deficiencies translate into levels of financial performance that are not self-sustaining. Financial self-sufficiency is becoming critical, as Pakistan's power industry is undergoing sweeping changes. These changes include transitioning from wholly Government-owned utilities to fully autonomous companies that will engage in power generation, transmission, and distribution under the Government's aggressive reform agenda. A similar industry structure exists and functions smoothly in many other countries today. In Pakistan, however, outdated policies, procedures, and work practices, as well as low investment in infrastructure, pose barriers to a successful transition.

## RESULTS

The Pakistani delegation observed the human resource management, change management, and training strategies of two unique and advanced electricity distribution utilities for one week in the U.S. These utilities shared many of the challenges experienced by those in Pakistan, and with varying levels of financial, technological, and human resources to solve those challenges. In addition to the core topics of the exchange, customer service & relations, smart grid, operations, and management were also discussed. These also will improve the knowledge, skills, and understanding of best practices throughout Pakistan's electricity distribution system.

As a result of this program, the delegates:

- Learned **change management** approaches to transition individuals and organizations through needed changes, aimed at helping employees to accept and embrace changes in their current business environment. Specific strategies included identifying employees who can serve as "champions of change" within the organization, communication techniques to reach all stakeholders, and the use of the ADKAR model that focuses change management methods on specific business results. BGE uses the ADKAR model to determine how best to

implement change within the company such as the recent restructuring. Similarly, Dominion Virginia Power has used change management to implement an organization-wide safety campaign.

- Were provided **operating standards for linemen** and **safety procedures** that can be applied to Pakistan Regional Training Centres.
- Were presented with the latest **human resource practices**, including employee recruitment procedures, employee education, and performance-based compensation plans (rather than seniority based) to optimize performance.
- **Baltimore Gas & Electric** and **Dominion Virginia Power** shared the following documents with the Pakistan executives:

- Utility employee job summaries
- Performance incentive structures, sample appraisals & performance development plans
- Six sigma business management strategy manuals
- Dominion and BG&E organizational structure charts
- Best practices in change management manual
- Linemen “tailgate” pre-job briefing and safe work plan forms
- Employee safety observation forms
- Field evaluation forms
- Retirement package, including information on health care and financial benefits

- **Baltimore Gas & Electric** and **Dominion Virginia Power** also shared the following operational best practices:

- Guidelines for resolving employee grievances
- Description of staffing & recruitment methods
- Asset resource management strategies
- Job benchmarking mechanisms, compensation assessment and compensation structures
- Customer communication strategies
- Corporate employee communications mechanisms
- Human resource information management methods, including Enterprise Resource Planning
- Employee development methods, such as e-learning and leadership training
- Employee achievement recognition structures
- Customer service practices, including use of interactive voice recognition (IVR)



#### **Dominion Linemen Training Facility**

Left: Dominion’s linemen go through a 5-year training program that is a combination of course and in-field experience.

### **UTILITY EXCHANGE PROGRAM PARTICIPANTS**

1. Mr. Muhammad Ali, Manager, Human Resources Management, Faisalabad Electric Supply Company (FESCO)
2. Mr. Ijaz Ahmed, Manager, Human Resources Management, Gujranwala Electric Power Company (GEPCO)
3. Mr. Imran Ali Askari Syed, Manager, Administration, Hyderabad Electric Supply Company (HESCO)
4. Mr. Parvez Iqbal, Director General Human Resources Administration, Islamabad Electric Supply Company (IESCO)
5. Mr. Mushtaq Ahmad, Additional Director General Human Resources, Islamabad Electric Supply Company (IESCO)
6. Mr. Saghir Ahmad, Human Resource and Administration Director, Lahore Electric Supply Company (LESCO)
7. Mr. Tariq Wahid Khan, Additional Director General/Human Resources Director (Administration), Lahore Electric Supply Company (LESCO)
8. Mr. Muhammad Naeem Ullah, Additional Director Human Resources & Administration, Multan Electric Power Company (MEPCO)
9. Mr. Khurshid Ahmed Orakzai, Director General, Human Resources & Administration, Peshawar Electric Supply Company (PESCO)
10. Mr. Muhammad Salim Jahangir, Additional Director General, Legal & Labour, Peshawar Electric Supply Company (PESCO)
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