

ENERGY CONSULTANCY FINDS EFFICIENCIES AND HIGHER MARGINS WITH CHANGEPOINT

CUSTOMER



INDUSTRY

Energy

CHALLENGE

Inefficient processes around services and projects were hindering margins and limiting organizational growth

SOLUTION

Changepoint for Professional Services Automation + IT Project and Portfolio Management

RESULTS

- Reduction of high-risk projects through improved issue identification
- Real-time reporting on engagement, project health and resource utilization
- Ability to manage 300-500 projects simultaneously
- Improved ability to manage details of individual projects

BUSINESS CHALLENGE

Owned by the government of Tasmania, Hydro Tasmania is Australia's leading renewable energy business, generating hydropower in Tasmania and trading electricity and energy-related environmental products in the Australian market. The company employs more than 800 people and has assets of \$4.8 billion. Hydro Tasmania's consulting arm, Entura, is a leading energy and water consultancy serving government, developers and international companies in the Asia-Pac region.

Originally formed to provide expertise to its internal client, Entura has undergone a dramatic transformation over the past few years. The company has grown dramatically in its expertise and client base, and now derives 70 percent of its revenue from external clients. Entura offers a full range of consulting services, including planning, design, construction, operation and maintenance of major energy and water projects. The firm also offers specialization in renewable energy, power engineering, hydro power, water management, water infrastructure and environmental management and planning.

Accompanying this tremendous business growth was an increase in the number and complexity of projects Entura was responsible for managing. Plus, external clients often had different expectations of Entura than Hydro Tasmania did. The organization needed to ensure project details – including engagement, resources and budgets – were monitored closely and that issues were resolved quickly. If growth was to be sustained, then customer satisfaction needed to be Entura's focus – which meant that internal control and visibility needed to be priority number one.

SOLUTION

Changepoint was initially deployed within Entura in 2005 as a stand-alone, dedicated project management system to support the company's growing consulting business while improving margins through more efficient engagement and resource management.

As a consulting business, Entura's revenue is driven by billable hours, so Changepoint's time management system has been instrumental in tracking consultant billings and understanding utilization rates. With much of Entura's business now outwardly focused, the company uses Changepoint's expense management to track and bill for expenses incurred on projects. This functionality is directly integrated into Entura's general ledger system to ensure alignment with revenue recognition policies, and is monitored on a weekly basis.

Entura also fully leverages Changepoint's project management functionality. Senior project managers feed Microsoft Project data straight into the Changepoint system, allowing for more successful management of major projects to ensure they are delivered on time and on budget.

Finally, to provide its management with real-time visibility into the operations and health of the consulting business, Entura created a number of custom reports using Changepoint's reporting engine. The reports display information detailing resource utilization, projects and engagement progress, along with work breakdown structures.

Changepoint's flexible structure has allowed Entura to adapt the system to the demands of distinct business units and the specific engagement structures. Projects are linked underneath the engagement, and information is monitored and tracked with a focus on that engagement.

"Changepoint has been a catalyst for growth within the Entura business. Our external client workload and our engagement complexity have grown dramatically. I don't believe we would have been able to effectively manage these more difficult projects with our old system. Changepoint allows us to drive our business into a more diverse structure. We have, at any one time, 300 to 500 projects running. And in the last six to 12 months, I don't believe we have had one project go astray."

— Brett Spinks, Commercial Operations Manager, Hydro Tasmania

RESULTS

Every Entura employee – from the managing director down – uses the Changepoint system.

"Changepoint has been a catalyst for growth within the Entura business," says Brett Spinks, Commercial Manager for Hydro Tasmania. "Our external client workload and our engagement complexity have grown dramatically. I don't believe we would have been able to effectively manage these more difficult projects with our old system. Changepoint allows us to drive our business into a more diverse structure. We have, at any one time, 300 to 500 projects running. In the last six to 12 months, I don't believe we have had one project go astray."

The Changepoint system has also enabled Entura's leadership to implement structure and internal processes that minimize risk and maximize value to the business. Brett explains, "A couple of years ago we began winning a lot of work, but we were not achieving very good margin on it. So we put Changepoint to work for us. We began using our work-in-progress reports to identify problem projects where we were bleeding cash or hours. That allowed us to move in and find the root-cause issues. We were able to revisit some processes, and put in place a revised structure that allows us to eliminate issues and minimize the number of high-risk projects in our mix. We're now down to one or two projects in a hundred deemed to be in the high-risk category."

Entura's successful experience with Changepoint has now filtered into other parts of the Hydro Tasmania organization. Recently the company rolled out Changepoint to its ISG team, the division responsible for Hydro Tasmania's IT-related structures and programs for IT project management.

"The complexity in our business today demands a solution that will allow us to manage our products and engagements, run our business efficiently and make money. Changepoint is flexible and has proven it can grow with our business. Now if we grow or acquire, we'll be able to scale accordingly."

ABOUT CHANGEPOINT

Changepoint manages critical customer business processes allowing technology services and IT teams to deliver more customer value, make smarter business decisions, and achieve new efficiencies, while operating with strong financial acumen. Recognized year over year as a market leader, Changepoint's professional services automation and project portfolio management software is relied upon by leading technology companies, and service focused IT organizations worldwide. Changepoint is headquartered in Toronto, Canada.

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