



DE-RISKING IT: IRELAND'S ELECTRICITY SUPPLY BOARD

Peter O'Shea, CIO of ESB, Ireland, explains how his organisation is focusing on benefits management to create maximum value from its IT investments

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CASE STUDY

Three years ago, when Ireland's Electricity Supply Board embarked on a strategic programme in response to the opening up of the country's electricity markets and the setting of ambitious carbon reduction targets, its CIO, Peter O'Shea, knew that ESB would need to change how it planned and executed ICT projects.

To ensure its project capability and infrastructure was better attuned to delivering the new business agenda, O'Shea turned to the then-emerging IT Capability Maturity Framework (IT-CMF) developed by the Innovation Value Institute (IVI). The IT-CMF's best practice examples and benchmarking approaches enabled ESB to identify areas for improvement.

"ESB has a bold strategy to deliver 30% of its power from renewables by 2020 and to be a carbon net-zero utility by 2035. ICT is a significant enabler of this strategy. We have to ensure that ICT investments are well planned and that they align with our business strategy. We also have to ensure that projects are carried out as efficiently as possible. Use of the structured framework helps distil out some of the complexity of business."

He says that as a management device the IVI approach is all about managing IT for business value. The scheme covers such areas as budget management, IT capability and managing IT like a business: "It is grounded in real-world business practices." In assessing all key IT and business service disciplines, the

framework showed that ESB was relatively mature in the area of budget management and IT capability. This reflects its long-standing strong financial discipline and project ability. "But it also showed we needed to focus on benefits management and realisation to drive fuller value from our investments," he says. "We now have a roadmap to show how we can improve."

At this point his organisation scores either 2 or 3 across most of IT-CMF's 5 level model: to deliver the benefits and cost reductions ESB wants, he believes that IT needs to raise that to level 3 or 4 within two to three years.

"We need to focus on benefits management to drive fuller value from our IT investments"

"ICT is at the heart of the delivery of ESB's strategic objectives, both the sustainability objectives which drive our plans for smart metering, intelligent networks and electric vehicles and our business-as-usual objectives of operating the electricity system, electricity trading, customer services and asset management. A benefits management process is a key component of this." ●