

Senn Delaney has a long history of partnering with energy and utility leaders around the world to transform cultures to improve spirit and performance of organisations.



senn delaney

introducing senn delaney's energy practice team



Ian M. Johnston

Ian Johnston,
senior vice president
and energy practice leader

Senn Delaney has been exclusively focused on creating Thriving organisational cultures for 35 years. We have a long history of partnering with energy and utility leaders.

My name is Ian Johnston and I lead the EMEA energy practice at Senn Delaney, a Heidrick & Struggles company. Senn Delaney has decades of experience guiding the leaders of energy and utility companies to create thriving organisational cultures. The industry became a major sector for our firm having developed a strong track record in transforming the cultures of British Gas Transco, United Utilities, E.On and UK Power Networks in the UK, as well as a successful track record of working with many energy companies in the United States.

Over the past few years, we have partnered on enterprise-wide culture-shaping engagements with energy and utility leaders at many of the largest organisations around the world. Our unique and singular focus on culture has added value for our clients by inspiring and energising the human element of the industry to better execute and sustain long-term transformational changes. This will support the ever-expanding global demand for energy in all its forms.

My work in the energy and utility industry has always been personally inspiring to me. That is why I am proud to announce Senn Delaney's increased focus on serving you, the leaders in this vital industry.

Why culture matters to today's energy leaders

On any given day, you can pick up a newspaper and find a litany of energy-related issues up for public debate. We have entered an age of difficult decisions and new horizons. Energy and utility leaders, now more than ever, have an urgent need to build Thriving organisational cultures that make a shift away from old, legacy mindsets. This focus will ultimately support the industry's transformation over the next decade. Senn Delaney is committed to being your trusted partner of choice on that journey.

To learn more about how Senn Delaney can help your organisation create a Thriving culture and achieve higher levels of performance and results, please contact me through our Business Development Manager Julia Stone, jstone@senndelaney.com.

Learn more about our work with energy and utility companies
http://www.senndelaney.com/senndelaney_energypractice.html

the culture-shaping company



what makes our process so different?

Common drivers of our work with energy and utility leaders

Shift to customer focus; improve customer satisfaction

In contrast to recent history, industry leaders forecast that energy companies of the future can expect a much more intense level of customer involvement. Senn Delaney has partnered with clients to help them create thriving, customer-centric cultures. Two have won multiple and consecutive J.D. Power awards for customer service.

Enhance employee engagement and development

As utility companies prepare for a wave of retirements and significant loss of human capital, they must groom rising leaders to take the reins. Senn Delaney's work to create a culture that empowers and engages employees at all levels has resulted in many companies becoming employers of choice, enabling them to attract the best and the brightest talent.

Implement organisation-wide systems or processes

Building our future energy infrastructure requires breaking through old habits and mindsets that resist change. We have helped leaders create more collaborative organisations that more effectively execute transformational changes. Our work helps unfreeze thinking and align the company around new guiding behaviours that deliver results and promote innovation.

Integrate cultures in mergers and major acquisitions

The pace of mergers and acquisitions in the energy industry is accelerating. Most mergers fail or never realize their full potential due to cultural clash. Our work to integrate cultures helps leaders avoid and pre-empt culture clash. We did this in two of the largest mega-mergers in recent history: GlaxoSmithKline and WellPoint/Anthem in the U.S.

Our approach uses four key principles of culture transformation

Shifting a culture requires a complete and comprehensive system of change, with an awareness of and a focus on these key principles:

Purposeful leadership

- The CEO and senior leadership must own and lead the culture-shaping process.
- Leaders need to have a clear, compelling purpose for themselves and their organisation, coupled with a strong business rationale to inspire a Thriving organisational culture.
- The culture-shaping process needs to be supported by resources and a systematic execution plan, like any other business strategy.
- Leaders cast a powerful shadow; therefore, the culture needs to be explicitly defined via values and behaviours and modeled by the senior team.

Personal change

- People need to unfreeze existing habits and make personal behaviour change. This occurs on an emotional (not intellectual) level, can only develop through insight-based learning, and is best accomplished in natural work teams to shift thinking and reinforce change.

- People need to understand the reason for shaping their culture. They need to be clear on the “from and to” of the journey and understand what’s in it for them.

Broad engagement with energy, momentum and mass

- Cultures often resist what they need. Momentum, energy and critical mass are needed to engage all employees. The faster people are engaged in the process, the higher the probability the culture will shift.
- A broad group of active, visible leaders needs to engage all employees, top to bottom, in shaping the desired culture. (Leaders leading leaders.)

Focused sustainability

- Systematic reinforcement is needed at the individual, team and the organisation level.
- Institutional practices, systems, performance drivers and capabilities need to drive toward the desired culture — including, but not limited to: communication, training, measurement, rewards and reinforcement, performance management and HR practices, and physical layout.
- Visible application, measureable results with feedback and coaching, rewards and consequences are needed to make the culture real and create accountability.

aligning strategy, structure, culture

Unless your culture supports your strategies, you will find it difficult to implement what is needed to meet increased competition or changes in the marketplace. If your culture is firmly embedded, it will reinforce and perpetuate the status quo. Thus, the challenge of change is to shift the culture into alignment with the new strategy.

Whenever an organisation faces changes in its business environment, survival and prosperity depend on its ability to quickly change directions. Generally, this involves a shift in strategy followed by changes in organisational structure.

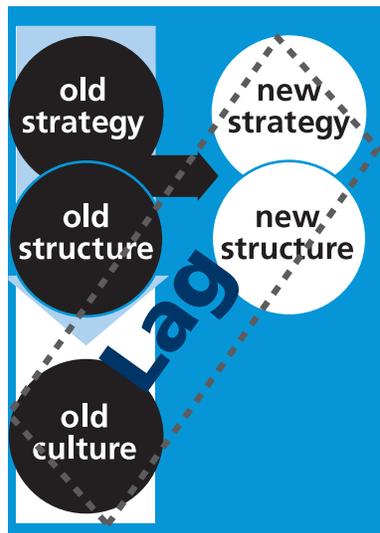
As new strategies are developed and new structures put into place, many employees continue to think and perform in ways that were developed within the old culture (Graphic 1: culture lag).

These cultural habits and methods of working and managing are often at odds with the new strategy and organisational structure.

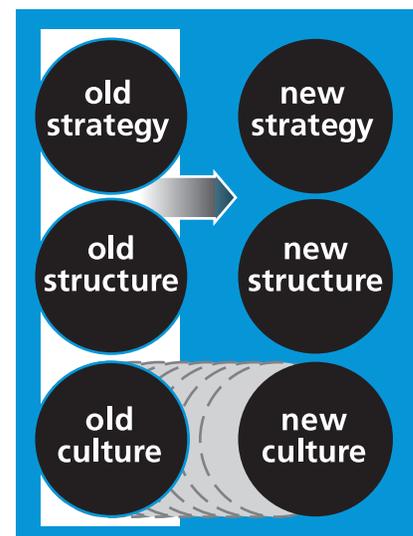
While the goals have shifted, the old ways of doing business are still in place and may now be in conflict with the company's new directives.

Some signs that indicate lack of culture alignment:

- Frequent reorganisations to get people to work together more productively.
- A need for innovation is clear, but the culture is risk-averse and employees don't feel empowered.
- Change in response to competition



Graphic 1: culture lag



Graphic 2: culture alignment

is imperative, but the culture is resistant to new ways of doing things.

- A strategy is developed to provide integrated solutions to customers, but the culture is based on protecting turf ("It's in the DNA.").
- We agree to move forward in meetings, but then the participants go off and "do their own thing."

"The challenge of leadership is to shape the culture so it is aligned with the new strategy and structure. We like to think in terms of shaping a culture as opposed to changing it."

In an organisation that is out of alignment, more and more effort is required to make things work as the old culture anchors the organisation in the past, preventing it from moving forward. This creates an increasing level of frustration that peaks when some employees buy into the new way, while others remain mired in the old. It's like trying to sail a boat while dragging the anchor.

The challenge of leadership is to shape the culture so it is aligned with the new strategy and structure. We like to think in terms of shaping a culture as opposed to changing it, since cultural characteristics exist that should be retained and nurtured, while new characteristics will need to be added to make the culture more compatible with the new strategic thrust.

Adapted from the Senn Delaney book, *Winning Teams* — *Winning Cultures*

results of our work in energy

Our energy and utility clients have engaged us to help them shape culture to improve results in several areas. We have made a meaningful impact in several important areas:

- transforming cultures to enable new strategies, structures and implement new business models
- increasing collaboration across disciplines, systems, with new alliances and partnerships across shared services or effective service lines
- creating cultures focused on safety, accountability, flexibility and customer centricity
- enabling major, system-wide initiatives
- transforming cultures to enable new strategies, structures and implement new business models



**John Roberts, United Utilities,
former CEO**

Tapping into leadership potential to reinvent the future

If you are serious about wanting to change the culture of a company, you have to tap into the leadership potential throughout the organisation. The UCan process is about involving people from across all our businesses in leading the future; defining what needs to change and coming up with solutions. The water and electricity have to keep flowing. We are trying to reinvent ourselves while continuing business as usual. We feel this is our opportunity to build something that's different, something that's better and something we all want to be a part of. Senn Delaney plays a vital role in that effort.



**John E. Bryson, Edison International,
former Chairman, President and CEO**

Realising our vision of "leading the way in electricity"

Senn Delaney is helping Edison International to build an even stronger culture to realize our vision of Leading the Way in Electricity. We are creating an atmosphere that facilitates building teams and values the importance of sharing experience, skill, knowledge and resources across the company. We are more united as one shared enterprise, committed to our customers, communities, our shareholders and each other. It's an ongoing commitment to creating change and opening doors — it's about people seeing opportunity and having the right leadership and the right culture. We're making great progress.

Among our energy and utility clients in EMEA and the US:

Atmos Energy
Ameren
Baltimore Gas & Electric
British Gas
Cameron International
Commonwealth Edison
DTE Energy
Dominion Resources
E.On
Edison International
Florida Light & Power
London Electric
New York State Electric & Gas
NRG Energy
PG&E Enterprises, Inc
Piedmont Natural Gas
Tennessee Valley Authority
UK Power Networks
United Utilities

For a complete list and more information about our energy practice, visit us on the Web at: http://www.senndelaney.com/senndelaney_energy_practice.html



**Ian Johnston,
Senior Vice President**

“A clear and compelling vision allows us to understand how we get things done effectively, motivate those around us, communicate ourselves to the world and energise our stakeholders.”

Ian Johnston leads Senn Delaney’s energy practice in Europe, the Middle East and Asia Pacific. His work supports leaders to inspire their organisations to achieve strategic goals with vitality and engagement. Ian has substantial experience working closely with executives to connect the leadership vision to the collective mindset of an organisation. This creates and shapes a Thriving organisational culture.

Since joining Senn Delaney 14 years ago, he has worked closely with CEOs, senior executives and their teams across many industry sectors in the United States, Europe, the Middle East and Asia Pacific. Ian’s clients include United Utilities, E.On, UK Power Networks, GlaxoSmithKline, Rolls-Royce, Anglo American, T-Mobile, Shell and the Saudi Telecom Company. He has worked in more than 30 countries in the last five years helping global companies shape a consistent international culture while respecting local differences.

Prior to joining Senn Delaney, Ian had more than 20 years of diverse business experience and adventures. He lived in the Mont Blanc region of the French Alps in the mid-80s, leading groups to climb and ski. He was the performance coach to a round-the-world yacht crew. Ian taught at Templeton College, Oxford from 1990 to 1995 and lectured at IMD in Lausanne.

He has been at the forefront of the development of experiential learning techniques for senior leaders and executives over the last 30 years. In 1990, he founded his own UK consulting practice, devising and leading large-scale leadership and culture-shaping assignments for such clients as Honeywell Bull, Rover Group, The Civil Aviation Authority, Associated British Foods and Zurich Financial Services. This varied experience provided him the grounding and diversity that has given rise to a deep understanding of the complexities and subtleties of shifting the mindset of large organisations.

Contact Ian: ijohnston@sennnelaney.com



**Nick Neuhausel,
Partner and Executive Vice President**

“Organisations that focus on both health and high performance can compete more effectively in today’s challenging environment. It is exciting for me to have the opportunity to help leaders achieve their personal best and create successful, Thriving organisations.”

Nick Neuhausel leads Senn Delaney’s energy practice in the United States. He brings significant business leadership and consulting capabilities to help clients build healthy, high-performance cultures that deliver strong, sustainable business results. A former client of Senn Delaney himself, Nick has directly experienced many of the issues facing Senn Delaney clients, as well as the positive impact of improved spirit and performance. His extensive executive-level experience leading human resources and business functions inside companies enables him to quickly assess the situation and develop systematic approaches to address the issues impeding performance.

For more than 13 years, Nick has worked with Senn Delaney clients, including Abbott Diabetes Care, Atmos Energy, Bank One, CIGNA Corporation, Comerica, Dominion Resources, Edison International, Grainger, International Truck and Engine, Kellogg’s, McDonald’s, Novartis Vaccines and Diagnostics and Piedmont Natural Gas.

Nick began his career at Sun Oil Company as an engineer in a processing plant. After acquiring a law degree, he became vice president of human resources. He was recruited to be senior vice president of human resources and administration by the CEO of Transco Energy Company. In that role, he helped that organization shift its culture to meet the challenges of a rapidly changing regulatory environment. Transco’s CEO described the culture shift as one of the most important events in the company’s history, which became evident in the healthy collaboration of the senior management team to successfully negotiate the merger of Transco with The Williams Companies.

Nick received a Bachelor of Science in mechanical engineering/industrial engineering and a Juris Doctorate from the University of Toledo, and a Master of Sciences in management from Massachusetts Institute Technology as a part of the Sloan Fellows Program.

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