The Energy Management
Matrix

'An efficient, easy to use and effective method of establishing your Organisational Profile'

Without the input of external consultants and benchmarking activities, many organisations may believe they are doing all they can to reduce their energy use and costs.
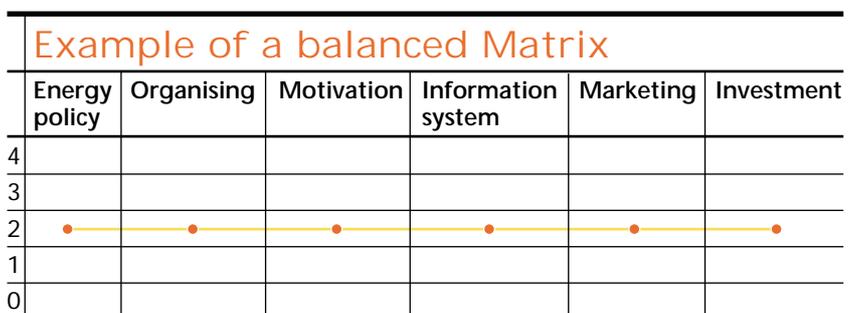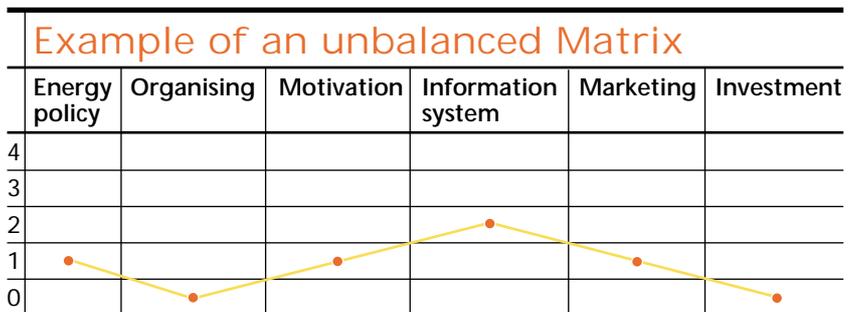
You can discover the truth in this by drawing an accurate picture of your organisation's current approach to energy matters. This is done using the Energy Management Matrix.

The Energy Management Matrix has been devised to:

• assist you to identify and describe the current level of sophistication of different aspects of energy management in your organisation;

• assist you in organising an energy management strategy.

The Matrix provides an efficient, easy to use and effective method of establishing your Organisational Profile.

Reading the Matrix is quite simple. Each column deals with one of six crucial energy management issues: policy, organisation, motivation, information systems, marketing and investment. The ascending rows, from 0 to 4, represent the increasingly sophisticated nature of these issues.

Example of an unbalanced Matrix

	Energy policy	Organising	Motivation	Information system	Marketing	Investment
4						
3						
2				●		
1	●		●		●	
0		●				●

Example of a balanced Matrix

	Energy policy	Organising	Motivation	Information system	Marketing	Investment
4						
3						
2	●	●	●	●	●	●
1						
0						

Level 0

At this level, it is fair to say that energy management is not on your organisation's agenda. There is no energy policy, no formal energy management structure, no means of reporting, and no specific person in charge of energy use.

Level 1

Your organisation's energy management situation starts to improve. While there is no official energy policy, someone has been delegated the role of energy manager. The energy manager promotes an awareness of energy matters via a loose network of informal contacts with those directly responsible for energy consumption. This person also responds to requests for advice on an ad hoc basis.

Level 2

Energy management is acknowledged as important by senior management but, in practice, there is little active commitment or support for energy management activities.

Level 3

Senior managers acknowledge the value of an energy reduction program. Energy consumption issues are therefore integrated into the organisation's structure. There is a comprehensive information system and established system of reporting. There is also an agreed program for energy management and investing in energy efficiency.

Level 4

Energy consumption is a major priority throughout the organisation. Actual performance is monitored against targets and the benefits of energy efficiency measures calculated. Achievements in energy management are well reported and energy consumption is related to its impact on wider environmental issues. Senior management is committed to energy efficiency.
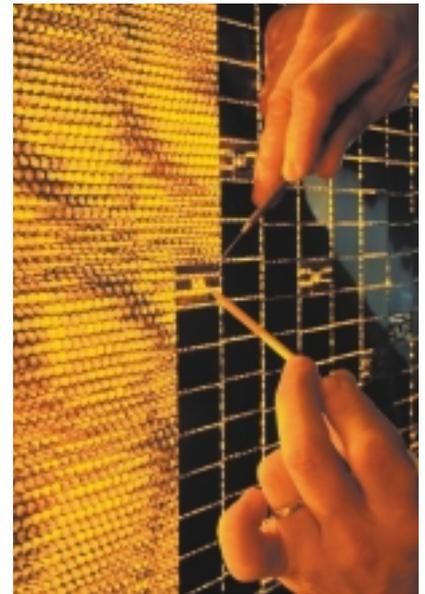
How to use the Energy Management Matrix

To establish your organisational profile, consider each column individually. Place a mark in each column which best describes where you think you are currently located (this can be within or between cells, depending on what you think is more accurate).

Your Organisational Profile is determined by joining the marks across the columns. This will describe your organisation's approach to energy management, and provide an overall indication of how well balanced energy management is within your organisation.

The peaks represent where your current effort is most sophisticated. The troughs indicate where you are least advanced. Don't be concerned if the Profile is uneven, this is not unusual and is the case in most organisations.

Your Organisational Profile will show you those aspects where some further attention is required to ensure energy management is developed in a rounded, effective way. The Profile will also assist you in your attempts at organising an energy management strategy, which will come later in our *Management Guide to Energy Efficiency.*

Energy Management Matrix—energy smart companies

Level	Energy Policy	Organising	Motivation	Information systems	Promotion	Investment
4	Energy policy, action plan and regular review have commitment of top management as part of a corporate strategy	Energy management fully integrated into management structure. Clear delegation of responsibility for energy consumption	Formal and informal channels of communication regularly exploited by energy manager and energy staff at all levels	Comprehensive system sets targets, monitors consumption, identifies faults, quantifies savings and provides budget tracking	Marketing the value of energy efficiency and the performance of energy management both within the organisation and outside it	Positive discrimination in favour of energy saving schemes with detailed investment appraisal of all new building and refurbishment opportunities
3	Formal energy policy, but no active commitment from top management	Energy manager accountable to energy committee representing all users, chaired by a member of the managing board	Energy committee used as main channel together with direct contact with major users	Monitoring and targeting reports for individual premises based on sub-metering, but savings not reported effectively to users	Program of staff training, awareness and regular publicity campaigns	Same pay-back criteria employed as for all other investment. Cursory appraisal of new building and refurbishment opportunities
2	Unadopted energy policy set by energy manager or senior departmental manager	Energy manager in post, reporting to ad hoc committee, but line management and authority unclear	Contact with major users through ad hoc committee chaired by senior departmental manager	Monitoring and targeting reports based on supply meter data. Energy unit has ad hoc involvement in budget setting	Some ad hoc staff awareness and training	Investment using short-term pay-back criteria only
1	An unwritten set of guidelines	Energy management the part-time responsibility of someone with only limited authority or influence	Informal contacts between engineer and a few users	Cost reporting based on invoice data. Engineer compiles reports for internal use within technical department	Informal contacts used to promote energy efficiency	Only low-cost measures taken
0	No explicit policy	No energy manager or any formal delegation of responsibility for energy consumption	No contact with users	No information system. No accounting for energy consumption	No promotion of energy efficiency	No investment in increasing energy efficiency in premises

Note: Highlight one panel in each column to indicate at which level your company is positioned for each energy management activity.

(Based on BRECSU 1993 Energy Management Matrix)

Tips

There are several steps that you can take to facilitate a change to good energy management in your organisation.

1. Take a photocopy of the Matrix. Create your own Organisational Profile by marking the place in each column that best describes where you think your organisation is currently located. Join up your marks across the columns to produce a graph line.

2. Make a second (or more) photocopy of the Matrix and ask your colleagues involved in energy management to complete the Matrix. Their profiles will tell you how others see energy management in the organisation.

3. Decide which columns contain the issues that are most important in your own particular circumstances. List what you consider the five main obstacles impeding your progress to the next level in each of these columns. Identify three key opportunities for improving your performance.

   Note that it will not always be the columns with the lowest score that warrant immediate attention. If the obstacles you identify seem impracticable from where you stand, or if there are no obvious opportunities for improvement, then you may be better off investing your time and attention elsewhere. Also remember that staff members above you in your organisation's hierarchy, or located in other departments, may be able to remove obstacles or create opportunities which are not open to you. Try to identify where this is so and what they need to do if they are to help.

4. Ask senior managers to complete the Energy Management Matrix and return the results to you for collation.

5. Collate the results and provide a report to your senior managers. Include all the labelled Organisational Profiles on the Matrix and the collated lists of obstacles and opportunities. End the report with a set of recommendations proposing how identified obstacles can be overcome and how opportunities can be exploited. Where you are unable to do this, prepare a set of questions asking senior managers what they believe needs to be done to improve the organisation's present situation.

6. Use the dialogue started by these exercises to construct, in consultation with your senior managers, a strategic approach for improving energy management over the next twelve months (see next chapter). Include some interim milestones and specify who is responsible for taking each of the actions listed and how progress is to be measured at the end of the period.

7. A good way to measure your progress is to redraw your Energy Management Matrix at the end of the twelve month period. This will identify how the Organisational Profile has changed, and if your strategy has actually improved energy management.

To get the best results from the Matrix, identify those issues in your organisation that are currently more critical or more in need of review than others by:

- Locating your organisation's position on the Matrix;
- Concentrating on those columns where you can make the most progress;
- Identifying obstacles and determining how these might be overcome;
- Identifying opportunities for improvement and determining how these can be exploited; and
- Involving others, both senior managers and end users, in the process.