

Taking responsibility for energy management

'The appointment of an energy manager is a critical stage of your energy management strategy.'

The energy management role calls for someone with skills in communications, financial administration and information systems, and an understanding of technology. The energy manager is the person who will facilitate your organisation's transition to an energy-conscious business.

We will now examine the process of locating the energy manager within your organisation and identifying the best person for the role.

Locating the Energy Manager

It is quite possible that the energy manager's location may be in one of five different areas:

- Technical department;
- Personnel department;
- Finance department;
- Purchasing department; or
- Chief Executive's office.

Each area has its advantages and disadvantages. In some businesses, for example manufacturing, the technical department is a good location for the energy manager, but they may lack access to training, information and finance activities that the other areas possess. On the other hand, personnel, purchasing, finance and the CEO's office would be suitable but they may not have the practical support and credibility of the technical department.

The accountant, who has access to all billing information, may be in the best position to undertake the role of energy manager. In a large organisation with diverse operations that are widely spread, the corporate management services area is perhaps the best location for the energy manager. This would allow energy efficiency matters to be coordinated across the organisation, and would ensure that the strategy is supported at senior management level.

Obviously, it will depend upon your organisation and the resources it has available. Of course, it should be kept in mind that there needs to be some flexibility to change the location as your organisation ascends the energy management matrix.

Ideally, the energy manager should be located in a position that closely aligns with the organisation's conventional management structure. This allows the energy manager to benefit from the network of relationships and day-to-day contact that other departmental managers in the organisation enjoy.

Energy management is a managerial role

We have emphasised the importance of senior management's commitment to energy efficiency practices. Without this commitment, carrying out a successful energy management strategy across your organisation would be seriously hampered, and energy management most definitely would be regarded as a marginal activity. Therefore, the appointment of an energy manager shows a commitment from senior management to control and reduce energy costs through an energy management program.

Above all, the energy manager's role is a managerial post, one that must network with other management levels. Whatever other qualities and qualifications the energy manager may possess, he or she should have sufficient managerial knowledge and expertise to discharge their managerial functions. Without this experience, the energy manager is unlikely to get energy management issues accepted throughout their organisation.



The role itself

What are the qualities of an energy manager? To begin, the ability to generate enthusiasm and persuade others to view their organisation from an energy efficiency perspective are two important characteristics. A good energy manager will need patience, a grasp of finance administration and the ability to work autonomously.

The energy manager must be motivated by personal achievement and thrive on setting short-term goals, because initially they will need to gain control over their organisation's energy consumption.

As the energy management strategy rolls out over time, the ability to devise and protect investments in energy saving measures, and oversee the operation of the energy information system, will come to the fore.

The energy manager must be able to:

- delegate responsibility for controlling energy consumption to appropriate decision-makers in each department of the organisation;
- coordinate all energy management activities and report regularly on how well each department is controlling the amount of energy it consumes;
- establish clear lines of reporting and accountability with energy users;
- establish clear lines of reporting and accountability with senior managers;
- assemble an inter-departmental committee structure for managing energy.

It is essential that the energy manager devise a reporting process. Regular reports should be made to the inter-departmental energy management committee, and through this committee of decision-makers, the energy manager should report at least once a year to the board.

If it sounds as though the energy manager needs to be a 'super-person', that may be partly correct. The energy manager's role requires many skills to handle a range of diverse tasks. The question of whether the role is a full-time or part-time job will depend on your organisation's energy bill and the percentage that can be saved by an energy management program. However, no matter how small the energy bill, it is vital that responsibility rests with one individual.

Other energy management staff

The extent to which energy consumption needs to be reduced in your organisation depends on:

- your organisation's number and range of premises, plant and operations;
- the current level of energy efficiency;
- the existing level of energy awareness among staff and the extent to which they already engage in good housekeeping practices;
- the adequacy of your current energy information system for supporting managerial decision-making;
- the budget available to you to improve on these points.

If your organisation has the financial resources to employ additional staff to the individual energy manager role itself, then it is possible that the number of staff needed on energy management activities will vary over time.

However, numbers of staff are not as important as their levels of expertise and experience in energy matters. Staff who deal with energy management activities need a wide range of technical, financial, personnel and training skills. Without these they are unlikely to be effective. The key is to get the right mix of skills and experience.



Tips

Is it better to keep energy staff together in one unit or dispersed across the organisation?

Keeping staff together means economies of scale and the development of a support base. But dispersed locations with responsibilities delegated between sections may be a sound way of integrating energy management across your organisation's operations.

However, depending on your organisation's circumstances and financial support, the energy manager may be all there is. If this is so, that person must remember that energy is an issue that embraces the entire organisation, it is not a technical speciality. Therefore you must:

- strive to educate all managers that energy conservation is one of their managerial responsibilities;
- work to get all managers to take ownership of their energy consumption;
- work to make managers accountable for their energy usage.



How to get the best results in your organisation?

The energy manager's job of introducing energy efficiency into the organisation often involves influencing people's attitudes and behaviours. The role is one of persuading others, as there is usually limited line authority over those who use energy.

To be effective in changing behaviours and attitudes it is important to understand the culture of your organisation and develop strategies which align with it.



Job description for an energy manager

You will be required to:

- develop and implement an energy policy;
- generate management information on energy consumption;
- communicate effectively with energy users;
- educate staff in energy awareness;
- develop housekeeping practices for staff;
- identify training needs for energy related matters where necessary;
- spot cost-effective opportunities for increasing energy efficiency;
- formulate an investment program for reducing energy consumption;
- review procedures for establishing the value for money of energy; management activities to senior management.



Organisational structure can be divided into four main cultures

	ENTREPRENEURIAL	TEAM	HIERARCHICAL	MARKET
Characteristics	<p>innovation and growth</p> <p>planning short-term</p> <p>tolerance of uncertainty</p> <p>outward-looking</p> <p>charismatic leadership</p> <p>accountability operates through personal contacts</p> <p>suit prime movers motivated by variety and risk</p>	<p>participation and co-operation</p> <p>planning long-term</p> <p>tolerance of uncertainty</p> <p>inwards-looking</p> <p>unobtrusive leadership</p> <p>accountability operates through meetings and discussions</p> <p>suit facilitators who are motivated by collaboration</p>	<p>structure and control</p> <p>planning long-term</p> <p>preference for certainty</p> <p>inward-looking</p> <p>conservative leadership</p> <p>accountability formalised in rules and structures</p> <p>suits coordinators motivated by stability and control</p>	<p>productivity and achievement</p> <p>planning short-term</p> <p>preference for certainty</p> <p>outward-looking</p> <p>leadership based on performance</p> <p>high degree of delegation</p> <p>suits achievers motivated by autonomy and personal accountability</p>
Strategy	<p>gain CEO's patronage</p> <p>concentrate on major users</p> <p>develop an investment program that will give quick returns</p>	<p>set up energy efficiency committee to devise energy policy</p> <p>appoint energy representatives to invite people in implementing policy</p>	<p>ensure energy management clearly located in structure</p> <p>establish procedures for accountability and reporting</p> <p>set up information system to monitor consumption and report faults</p>	<p>identify cost centres responsible for managing own energy</p> <p>devise routine procedures for reporting back to users</p>

Energy Manager's Golden Rules

Energy managers are often placed in the impossible position of having to produce dramatic results while receiving very little support or funding. The way around this, in the beginning at least, is to adopt the following 'golden rules'.

- 1. Gain control.**
The first thing is to gain control over energy consumption.
- 2. Measure how well you are doing.**
Constantly monitor and record achievements.
- 3. Report in a simple, clear and relevant way.**
Provide simple clear reports that match the information managers are used to.
- 4. Share the glory.**
Ensure that people get praise and credit for their energy savings.
- 5. Promote your achievements with your senior managers.**
Publicise your success in order to maintain funding.

