

■ Case Study

-Partnering With Xcel Energy

Synopsis

Xcel Energy is one the world's top electricity and gas groups, serving 4.8 million customer in 12 US states and working in 17 countries worldwide. The company has revenues of US\$11+bn. Partnership Continuum Inc and ServQ are working in partnership with over 100 Xcel staff to build an infrastructure for the effective management of numerous strategic alliances and out-sourced activities.

Background

Xcel Energy is the result of a merger of: Northern States Power (in Minnesota, North Dakota, South Dakota, Michigan, Wisconsin, Iowa), Colorado Public Service (in Colorado, Kansas, Wyoming, New Mexico) and Southwestern Power Services (in Texas, Oklahoma, New Mexico, Arizona). The group employs 11,500 people and manages over US\$22 billion of assets. The client wants to accelerate and improve its handling of strategic alliances with its major suppliers.

Methodology

The team is delivering a 'Building Smart Partners' programme within the *Shared Services* and *Business Units* organisations of Xcel. Initially 100 people are involved, with future expansion being planned. Areas covered are:

- **Supplier Management** - The current strategy of the Xcel is to outsource non-core activities. Areas such as Information Technologies are outsourced to IBM; building management to Westco, Inc. and line maintenance to various local contractors. The goal is to transform these relationships from a contract/transactional basis into strategic alliances
- **Cultural Transformation** - As a regulated monopoly competing in the energy marketplace, Xcel's Directors understand that future success is dependent upon engaging staff in the business transformation. This is being accomplished through individual mastery of the Six Partnering Attributes™. The Building Smart Partners programme is designed to deliver positive behavioural shifts in how employees interact with each other and the company's alliance partners.
- **Internal Relationships** - The complexities of integrating organisational cultures across 12 states in the United States are paramount to the success of Xcel. Its future success is dependent upon rapid delivery of synergies established at the time of the merger. The team is putting into place the foundation of a "partnering culture" to enable the Xcel to move beyond its legacy, to a new more focussed future.

Reference

Contact sdent@partneringintelligence.com or ian.watson@servq.com for further information.