

# Transforming competence

One of the more difficult organisational tasks associated with asset management is bringing staff competences into line with new ways of thinking and working. In most cases, this involves some changes to the way roles and responsibilities are structured and the way the organisation recruits, selects, develops and deploys people and reviews their performance. To be effective these changes must be based on a deep understanding of current capabilities, processes and priorities for improvement.

**Siobhan Procter** and **Chris Lloyd** reflect on the recent experiences of Transpower New Zealand.



**T**ranspower owns and operates New Zealand's national electricity transmission network – the National Grid. Its NZ\$4.3 billion asset base consists of around 12,000 kilometres of high voltage transmission lines, 60 kilometres of underground and submarine cable, 176 substations and around 40,000 towers and poles.

Over the last 10 years, significant capital investment has been required to provide the necessary transmission reliability and capacity following a period of low investment. A large capital build programme ended recently but a significant replacement and refurbishment programme lies ahead. This requires detailed information to

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underpin a systematic, risk-based approach to decision-making.

Transpower started its asset management journey in 2011 when it set itself the target of achieving PAS55 certification within three years. It was driven by an increasing awareness of the reliability and safety risks presented by an ageing asset base, performance of asset

classes against international benchmarks and the evolution of the regulatory framework. It was recognised that, by embedding sound asset management principles and practices, the business could be sure of meeting its strategic objectives for delivering a safe, resilient, cost-effective transmission service to customers.

In 2011, a PAS55 gap analysis concluded that an asset management competences framework and plan were needed to bring roles and responsibilities, competences and training in line with the asset management objectives of the business.

In 2012, specialist UK consultancy CAS was brought in to lead this work, which produced:

**1. An Asset Management Competences Framework.**

This defines the competences that Transpower requires to achieve its organisational objectives, regardless of who works for it or how the organisation is structured. It enables other competence frameworks and behavioural objectives used in the business to be aligned with the asset management strategy.

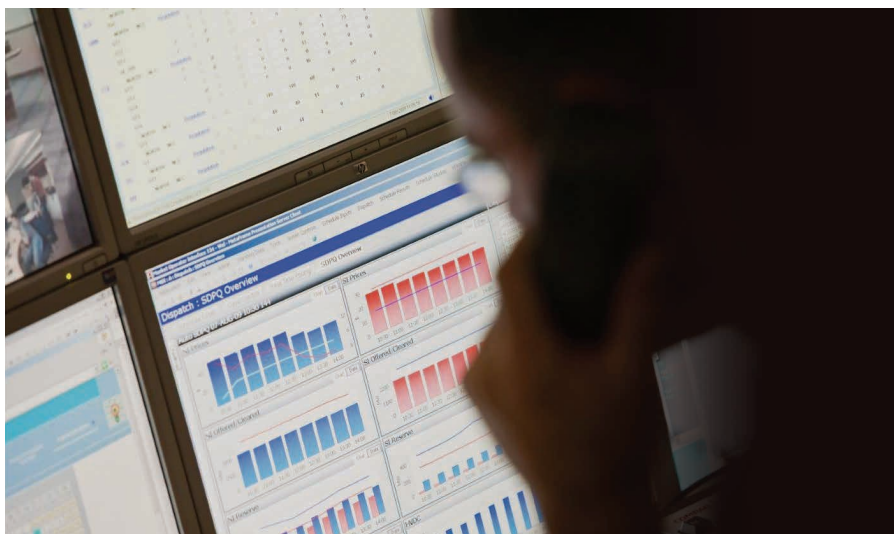
The Framework is a customised version of the IAM Competences Framework (Figure 1). Three of the seven roles were earmarked as priorities for short-term improvement and detailed performance criteria were developed for these. The target audience for the Framework is headquarters staff whose roles are dedicated or substantially related to asset management.

**2. Simple tools to help implement the Framework.**

These include a Suitability Checklist that managers can use to select people for asset management roles, an Assessment Checklist for defining the skills and attributes needed for a specific asset management role, and a Competence Profile for defining specific training and development objectives for asset management roles or individual staff. The purpose of these tools is to support consistent use of the Framework with a focus on the priority areas.

**3. Draft roles and responsibilities for key leadership roles.**

These are a prompt for



wider discussions about accountabilities for asset management decision-making and performance.

**4. A three-year implementation roadmap.**

This defines the sequence of milestones that should be achieved if the implementation of the Framework is effective.

The process of developing these outputs was as important as the outputs themselves. It engaged the target audience actively in reviewing current roles, competence requirements and priorities for organisational

and personal development. This started to shape their perceptions of the scope of asset management, its importance to the success of the business and its relevance to the work they do and their future professional development.

In the early stages of preparing for PAS55 certification audit, the business focused on enhancing asset management capabilities within key roles to support the delivery of Transpower's strategic objectives. This approach was reinforced by the 2012 report from CAS and the Year 1 roadmap. Subsequently, competence development activities were concentrated in the following areas:

- strategic asset management
- asset management planning
- asset management implementation
- asset knowledge management.

In addition, corporate communications and general training activity such as the corporate induction process were refreshed and enhanced to put greater emphasis on asset management.

In 2013, a survey of the current availability and distribution of asset management competences highlighted some gaps in succession planning priorities and improvement needs. This was followed by an exercise to map the Framework against work groups, which led to the definition of a desired state of competence.

Given the high level of activity within the business at the time (Transpower was preparing for a five-year revenue reset with its

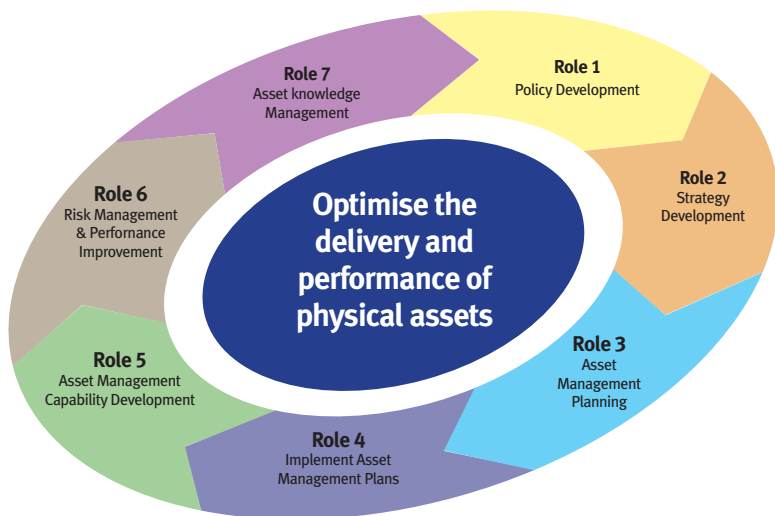


Figure 1: IAM Competences Framework

regulator), it was often difficult to keep focus on the competence framework. However, the assessment of the current state of competence proved to be very powerful in terms of attracting the attention of the leadership team and ensuring the roadmap gained the traction required to make meaningful progress.

### Assessment

The business is now in the process of embedding formal assessment of individual competence in the target groups within its six-monthly performance review cycle. Managers are required to assess their teams' competences against the desired state of competence. Where gaps are identified, a plan must be developed to improve competences through on-the-job training or targeted courses.

As part of its five-year revenue reset, Transpower made a commitment that it would gain PAS55 certification and this provided a sense of urgency and drive in the business but also presented a major challenge. By associating an essential change project with PAS55, many saw it as a tick-box exercise that did not affect them.

In reality, the asset management strategy was a re-articulation of existing strategies

and direction. It was soon realised that the business needed to start using a common language and focus on the change aspects of the asset management journey and how they aligned with corporate strategy. It became clear very quickly that PAS55 certification – now superseded by ISO55001 accreditation – was not the final destination.

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Because the work on asset management competence coincided with a critical and substantial regulatory submission, the two efforts competed for attention. To overcome this, an Asset Management Leadership Team was established, which is now actively engaged in further developing and implementing the Framework.

One key benefit gained from implementing the Framework is the increased level of active engagement with, and understanding of,

asset management. Initially, the use of asset management terminology was a barrier to implementing and improving the Framework. Most staff did not fully understand how asset management applied to the jobs they were doing until they were engaged individually in assessing their own competence and the links between the requirements of ISO55001 and their day-to-day activities. Once understood, there is an increased willingness to describe the required competence and performance improvements in asset management terms.

Another important benefit has been the increased knowledge in the business of where there are gaps in the coverage of the Framework because of existing roles and responsibilities. Again, this has come about by engaging all people, especially those with senior asset management roles, with the Framework, especially through self-assessment against its requirements.

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### Authors' biographies

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