

Upskilling to lead in Japan's energy market

Chuden CTI's people-powered IT transformation



Call for change

The human element of change

In recent years, Japan's electric power industry has been completely rewired. The retail electricity market is now fully deregulated, with power generation a legally separate business from power transmission. To meet the competitive challenges arising in this new environment, the Chubu Electric Power Group, a utility company that supplies power to about 16 million people in central Japan's Chubu region, needed to increase efficiencies across the board. With digital transformation of the Group a priority, Chuden CTI—the IT company within the Group—launched CTI Transformation.

The goal of CTI Transformation was to transform Chuden CTI into a leading-edge, value-adding IT company. The project will enable Chuden CTI to transition from being an entity that responds to IT requests from the business to becoming a source of

innovative IT solutions. This proactive, autonomous approach will help Chuden CTI become a stronger, more relevant and strategic contributor to the Group, and a driving force for digital transformation.

“Moving the CTI Transformation forward required a complete reengineering of the company, from processes to people” says Takeshi Nomura, Senior Managing Executive Officer at Chuden CTI. “We needed to escape from this attitude we had of passively receiving requests from Chubu Electric Power to add elements to the system or manage operation. Instead, our mission should be to propose IT solutions proactively and autonomously and transform into a high-value-added IT company. If we couldn't do that, then we had no hope of growing.”

To lead IT projects and drive transformation across the Group, Chuden CTI knew it needed to consider the human element of

change. The company needed to shift mindsets and upskill employees to handle not just requirements definition and development, but high-value upstream processes such as planning, proposals and negotiation. Chuden CTI wanted to change its current management style based on experience and intuition to one based on data and facts. It wanted to shift to modern development practices, leveraging cloud capabilities for more agile systems development. And it wanted to establish a new corporate structure to manage workflows and projects consistently across departments.

To accomplish these goals, Chuden CTI sought a partner who could offer concrete strategies, proposals for methodology and new ways of getting things done.





When tech meets human ingenuity

Programs spark new skills

Chuden CTI partnered with Accenture to implement the CTI Transformation based on four key considerations: Accenture could offer the company a wide range of IT technologies; the capability to support the adoption of these new technologies and the development of human capital; experienced talent; and the perspective and technologies needed to assist in streamlining operations.

The CTI Transformation was divided into key initiatives: strengthening functions to support a shift to higher-value service delivery, building resources for maintenance and operations work, and streamlining and consolidating indirect Group IT and management work.

When tech meets human ingenuity

To kickstart the project, Accenture held a study session on human capital development. This event helped Chuden CTI make significant progress on its initiative, gleaning valuable insight about the problems in its daily workflows and discovering new ways of thinking. The study session was then expanded into three human capital development programs:

- 1** The first was a short-term, concentrated program designed to develop digital transformation leadership skills. The program empowers employees to become consultants who can lead upstream planning and propose processes, in addition to performing traditional tasks like defining requirements and laying out development processes.
- 2** The second was a project management workshop to develop the correct mindset for project management, enhance understanding of the steps of implementation and make the mental shift toward proactive planning.
- 3** Finally, the team launched an advanced program for major IT packages to create IT specialists skilled and accredited in the company's base IT platform, SAP S/4HANA Cloud, as well as major applications like the IBM Maximo Application Suite, an enterprise asset management (EAM) package with an extensive track record of results in the electric power generation industry.

Through process innovation led by Accenture, Chuden CTI shifted routine and standardized maintenance and operation work to new IT operations base in Dalian, China. In Dalian, employees continue to streamline their delegated workflows and use robotic process automation (RPA) to achieve further efficiencies. The company plans to continue transferring workflows over to Dalian, further reducing the number of employees dedicated to operation monitoring and freeing them up for higher value tasks. "As we transfer more routine operations to Dalian, China, we will shift human resources to advanced IT fields," says Kunihiko Takada, Chuden CTI's Director of the Platform Region IT Print Service Center.



A valuable difference

Accelerating the transformation

The process innovation and human capital development programs within the CTI Transformation project have given Chuden CTI the ability to address rapidly increasing demand in the Chubu Electric Power Group for advanced IT services, including upstream processes. As of April 2021, 159 employees are engaged in advanced IT work—and this is projected to increase to 200 by April 2022 . Chuden CTI plans to reward these employees and is currently working on an evaluation and compensation system.

Chuden CTI also plans to transfer employees whose tasks are now automated or outsourced to the company's Security Operation Center, which handles security monitoring and countermeasures. This move will alleviate the growing security concerns of Chubu Electric Power Group companies as the threat of cyberattacks escalates globally.

Motofumi Ueda, Chuden CTI's Director of the Corporate Innovation Department, Corporate Strategy

Division, has high praise for Accenture's contributions: "We learned that advanced IT is about a lot more than traditional training. The experience we can gain in workshops or training is critical. Accenture professional coaches are providing high-precision coaching to our resource capital from various point of view." He adds: "We learned how to apply the latest technologies and highly efficient methods to our work. This experience has greatly helped our employees move forward with a new mindset while successfully reskilling." Koji Okada, from Chuden CTI Sales Consulting Department, Sales Division also commented: "Accenture gave us valuable insights about how to see the essence of things and think in new ways."

Chuden CTI understands that there are still big challenges ahead, such as continuing to elevate the level of its human capital so it can apply the latest technologies and understand industry trends to keep strengthening its resources. Accenture's support in these initiatives is critical, and the joint team will continue to keep the CTI Transformation project moving forward.



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