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Utilities



# DO THESE **5 DON'Ts** OF DIGITAL

It's not going to be simple, and it's not going to be easy—but, of course, you already know the growing pains involved in this massive industry-wide digital evolution we're all immersed in.

Still, there are some simple steps you can take to move forward faster with your digital transformation.



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#1

# DON'T BE MARRIED TO YOUR ORIGINAL PLANS.

Every utility working today has a digital strategy. But, when was that digital strategy developed? A decade ago? Five years ago? Three years ago? When you crafted that digital strategy, did you know at the time that more and more and more of your customers would want to check their bills and use on their smartphones? Did you understand the impact that a few short tweets could have on your customer service? Did any of us ever think that the president could drive down stock prices with a single note on Twitter? How do those new notions change our digital world?

In this industry, we've always stuck to the plan—whether it be for replacing a legacy system, preparing for a weather emergency or laying out the business ROI for a public utility commission. We're comfortable with plans. We like to get our ducks in a row and then waddle those ducks along, still in that row, orderly and well managed, to the finish line. The long-range, 20-year plan is typical.

When it comes to your digital strategy, however, that's just not going to be possible. Tomorrow, new tech will come into the picture, new trends will be on the horizon and new customer desires will be in the mix. You've

got to reevaluate your digital strategy more often. If you haven't given it a good once-over in three years, start today. Start right now.

Touch that plan every month for sure, and every week if you can—to know when you're on the right track and to know when to tack a little (to bring in a little sailing terminology). If you rework your digital strategy more often, you may find those changes are smaller and easier to manage rather than being overwhelming and system-crippling (if you wait for years in between). Some suggestions:

- » **Look at shifting IT's role:** It should move from being a service provider to being a business platform builder.
- » **Dump the silos:** Realign people and processes around this transformation across the company. The future you is more open, more collaborative, and more integrated, too.



# #3

## DON'T IGNORE THE ECONOMICS.

It's absolutely true that digitizing your utility processes will have upfront costs. There's no denying that, but, on the backend, you'll be ahead. So, keep the entire economic picture in mind when developing and adjusting digital strategy. More (and better) sensor data is set to give you a greater view of your system and a better handle on maintenance and productivity—along with easing new connections to distributed energy. Transactions will be faster and more accurate, which should make them cheaper as well. And, as you move customers from costly phone calls to more budget-friendly digital channels, you'll see definite economic benefits there as well. That investment will pay off. There's no doubt about it.

But you already know that or you wouldn't have taken this assessment in the first place. You already understand there are a slew of positive options to your bottom line if you can get a foot farther down the line, or a yard farther or a mile farther. After all, you took this test not just to get a better grasp on where you really are but also to get some thoughts bubbling on how to build out the business case of this evolution. Some suggestions:

### Write it all down:

Do three assessments—one technical, one internal/cultural, one customer-facing. Document everything you already have. Look at current hardware, current software, current infrastructure. Look (objectively, if you can) at how prepared your workplace is for digital change, from antiquated laptops to antiquated attitudes. Record legacy customer systems and the current processes in place.

### Mind the gap:

Now, bring in that digital strategy and take some hard looks at where you want to be, even where you plan to be. Map out those white spaces in between. It may be as simple as one step to upgrade a sensor. It may take you 20 steps to really change a culture. This is where being agile will be your most important skill.

### Put a price on it:

It's going to be easy to write down what your current items in hand cost, from hardware to employee salaries. It's going to take research to project the numbers for your strategy. But the key here is: Don't forget to add in the cost benefits that will come with that digitalization. It's not entirely a bleeding red cost center. There's black gold in those benefits. Don't leave those numbers out.

# #4

## DON'T NARROW YOUR DIGITAL FOCUS.



Too often, we follow a singular digital path and concentrate on pushing forward one developmental area, whether it be for the customer, for the business aspect or for the operations group—whatever has the dire need. But that transformation needs to occur simultaneously across the board. Digital isn't merely smartphone apps or interactive customer channels. It's not just more advanced sensors or technology investments to the aging infrastructure. It's a combination, an amalgamation. You have to keep all avenues open to this cultural revolution. While it may be a juggling act, it's a necessary one. Letting one area fall behind could mean future systems that don't work in tandem, don't eliminate inefficiencies and add complications to your work.

So, you must keep the customer at the core of your strategy. They're becoming more involved in their accounts. They want to know use numbers and bill estimates. They want suggestions and advice. They want more interaction over more channels with more tech options, too. Your digital transformation will be judged by the public mostly from these customer-facing programs.

Let's be honest. You'll also be publicly judged by your reliability—though less often that the customer-facing daily channels. This judgment will rise during weather events and outages for the most part. And, proactive tech plus better data about the equipment and status, well that can all work together to make outages (whether equipment failure, maintenance issues or weather) fewer and farther between. You'll get a better view of your system, which helps you. And your system will work better, too, which helps that public judgment.

In the end, though, this transformation isn't solely about mitigating public judgment or crafting the happiest of customers. It's also about internal judgment and crafting the happiest of employees. You must also blend that transformation into workplace processes. Use that information the customer digital strategy is bringing you. Use those numbers the tech revolution is shouting. **Bring it all together to make the business itself smarter, faster, better.** This is where analytics can help you really get the most out of all those investments in systems and sensors.

# #5

## DON'T FORGET YOUR PARTNERS (BOTH POTENTIAL AND REALIZED).

The good news with all this change is that you don't have to go it alone. You have solution providers, partners, utility peers, associations, regulators, suppliers and customers to help you build your optimal digital utility of the future. Make sure they're all in the loop. Invest in collaboration, both inside and outside your organization. The better relationships you have with both potential partners and ones you already have in pocket, the better your final digital persona will be.

Solution partners, especially, should form a large part of your digital support network. Finding the right one might be all about asking the right questions. Some suggestions:

- » What would you add to our utility's digital strategy, and what problem areas do you see?
- » How do your cloud and analytics solutions complement our strategy?
- » How can you help us remain flexible and optimize our digital evolution?

## ARE YOU READY?

Oracle Utilities has been prepping utilities for this digital industry transformation since 1979. We'd be delighted to sit down and answer those three questions. Visit [oracle.com/utilities](http://oracle.com/utilities) to browse our products and services or call us directly at +1.800.275.4775 to continue the conversation.