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*High performance. Delivered.*

Achieving high performance with  
Accenture's customer information  
system (CIS) transformation

• Consulting • Technology • Outsourcing

## Transforming your customer information system brings risks—and rewards

For every utility, the customer information system (CIS) is the critical backbone of customer care operations. From customer care and metering to billing, payments and credit and collections, these applications enables the customer experience and support all aspects of billing and revenue collection. Yet, in most utilities, legacy systems simply are not equipped for today's challenges and opportunities.

As utilities continue to face the strong likelihood of upward cost pressures—as well as regulatory requirements around rate structure and smart metering—transforming the CIS is fast becoming a strategic and operational imperative.

After recognizing the necessity of making changes to the CIS, your utility faces a host of questions and considerations. Among them: Should the CIS be upgraded or replaced? Which software package best fits your business needs? What risks should you be aware of when deploying a new CIS solution? And finally, does it make sense to enlist the help of an integrator or manage this large initiative in-house?

CIS transformation is a herculean effort. It typically involves a financial investment of \$50 million to \$100 million or more, it can take years to complete and it introduces a host of potential pitfalls. Done poorly, a CIS transformation initiative can wreak havoc, leading to incorrect

account information, incorrect billing, unexpected down time and unexpected system performance issues.

Yet, high-performance businesses, including utilities, recognize that CIS transformation can also bring significant rewards (see Figure 1). To help mitigate risk and maximize results, high performers engage the expertise of an integrator. They recognize the advantages of working with the right integrator versus going it alone. Specifically, they know that an integrator can help reduce the risks around poorly defined scope, a lack of business and/or operational readiness, an IT support organization that needs new skills, and poorly executed deployment.

## Did you know?

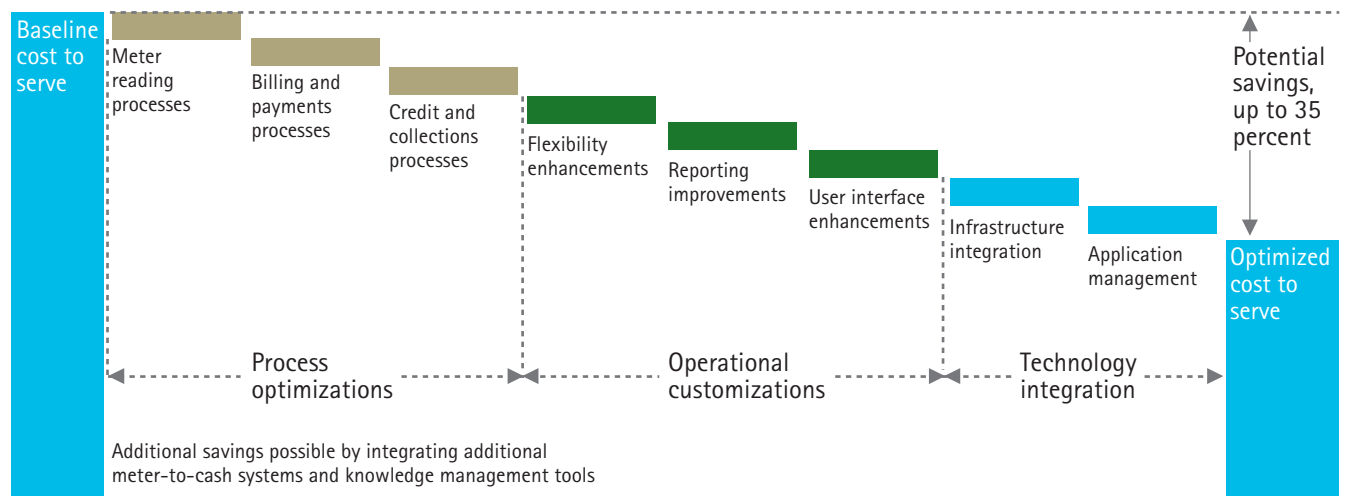
CIS can account for more than 25 percent of a utility's total application and operations maintenance budget.<sup>1</sup>

A typical CIS business case is based on several key levers that can reduce cost by up to 35 percent through process and operational efficiencies enabled by technological improvements.<sup>2</sup>

Initial costs are higher when replacing a CIS with a packaged solution compared to upgrading a legacy system. However, in the long run, utilities that invest in a new CIS package can realize significant savings in maintenance costs.<sup>3</sup>

Figure 1. CIS transformation.

A typical CIS business case is based on several key levers that can reduce cost by up to 35 percent through process and operational efficiencies enabled by technological improvements.\*



\* Accenture case study: Cost-to-serve optimization

# Accenture's approach to CIS transformation

In delivering CIS transformation solutions, Accenture relies upon a proven four-phase approach: analysis, technical integration, support and outsourcing or staff augmentation (see Figure 2). Depending on your utility's needs, you can engage Accenture for one or all of these phases.

In the analysis phase, we develop an understanding of your business needs and how your current CIS elements and functionality are meeting, or falling short of, those needs. We help determine your requirements for your new or enhanced CIS, and then we recommend one or more options for bridging the gap between where you are and where you need to be.

In the technical integration phase, we analyze your existing business processes and help you in selecting a CIS software vendor based on your technical and functional needs. Just as important, we design and build the required customizations to the vendor solution, along with migration processes to transfer legacy data to the new system. We also oversee testing, user training and the actual deployment of the new system.

Accenture's support continues beyond your "go-live" date. We monitor and assess system and operational performance, identifying opportunities for further adjustments. We also provide additional user training and support, as needed.

In the fourth phase—outsourcing or staff augmentation—Accenture helps in identifying roles and responsibilities that our employees can fulfill. By transitioning application and/or operational support processes to Accenture, your utility can improve customer satisfaction and reduce operating costs through increased efficiency. What's more, this approach helps you better prepare for new retail capabilities as they emerge.

In assisting utilities with their CIS transformations, Accenture draws upon significant strengths. Those strengths include our:

- **Asset-driven approach.** Accenture has more than 2,000 leading-practice deliverables, source code and tools that we have refined through CIS transformation projects around the world. Reusing these assets improves solution quality and reduces costs.
- **Proven delivery experience.** Accenture has a global network of CIS professionals who have accumulated years of experience delivering similar systems in the utilities industry. Engaging reputable experts to design and deliver can reduce costs and impacts to operations upon deployment.

- **Strong vendor alliances.** Accenture extends our technology and business capabilities through a powerful alliance network of more than 150 market leaders and innovators, to provide our clients the best specialized skills and tailored solutions. Accenture has strategic alliance relationships with SAP and Oracle, among others.

Ultimately, Accenture empowers your utility to make a high-value, low-risk transformation to technology solutions that will deliver process improvements—and operational efficiencies—throughout your organization.



Figure 2. CIS transformation delivery approach.



# Large electric utility reduces cost to serve

At large utility engaged Accenture to replace its legacy customer information system with a customer-centric SAP CR&B (formerly known as IS-U) solution. The solution was developed with flexibility in mind—to provide multiservice, multicompany, multilocation capabilities—and designed to serve as a platform for additional clients. It was deployed

in 2003 with minimal deployment-related impact to the business. Following the implementation, the utility reduced cost to serve by 35 percent and increased customer satisfaction by 18 percent. Accenture maintains and operates the system as part of a 10-year outsourcing arrangement signed in 2003.

## We know what it takes to execute successful CIS transformations.

### What can you expect when you team with Accenture?

You work with professionals who understand the unique challenges of the utilities industry. We see the world as you do and can help your company differentiate itself to achieve high performance. Our understanding of key business issues and trends, and applicable technologies and business solutions enables us to deliver innovative yet practical solutions tailored to each client. We bring a breadth of skills, capabilities and assets to help utilities address our clients' business challenges, including:

### Utilities industry experience

Accenture's utilities industry group has more than 30 years experience working with electric, gas and water utilities worldwide. Our group includes 7,500 utility industry people working with approximately 275 clients in 40 countries. We serve 74 percent of the utilities on the 2009 Global *Fortune* 500 list using our deep, global industry knowledge, people and assets to help clients develop the strategies and adopt solutions to improve performance in the dynamic utility market.

### Client-ready utilities assets

Accenture has developed many utilities assets, including the High Performance Utility Model, based upon our extensive consulting,

systems integration and outsourcing experience. This model helps utilities assess their performance against industry leaders, jump-start business improvement projects and accelerate program delivery.

### Accenture Utilities BPO Services

Accenture not only has leading consulting capabilities, but we also have a deep operational understanding based on our business process outsourcing (BPO) services for utilities. Accenture Utilities BPO Services provides solutions to 14 clients and 15 million customers in North America, Europe and Asia Pacific.

## Contact us

Accenture's approach to CIS transformation is holistic and designed to help retail utilities navigate through today's challenging environment. We work with companies to chart a successful course to improve their core technology systems—and to build the high-performance businesses that can compete and win in a changing environment. We would like to hear about your needs and discuss how we can work together to help your organization advance toward high performance.

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## Endnotes

1. Technology vendor analysis matrix for CIS and meter-to-cash BPO, UtiliPoint, 2007.
2. Accenture case study: Cost-to-serve optimization.
3. Accenture CIS assessments drawn from analysis of four options: CIS program cost, overall meter-to-cash transformation program cost, customer care operations cost and intangible cost/value.

## About Accenture

Accenture is a global management consulting, technology services and outsourcing company.

Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. With more than 176,000 people serving clients in more than 120 countries, the company generated net revenues of US\$21.58 billion for the fiscal year ended Aug. 31, 2009. Its home page is [www.accenture.com](http://www.accenture.com).

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