

On the Case: Wipro and NV Energy

Wipro's partnership with NV Energy delivers value through work and asset management program

Reference Code: IT002-000285

Publication Date: 23 Sep 2013

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SUMMARY

Catalyst

This is a case study on the successful partnership between Wipro and NV Energy, an electricity and gas utility based in Nevada, which profiles the implementation of NV Energy's Enterprise Work and Asset Management (EWAM) program. NV Energy serves 2.4 million customers in a service area of over 44,000 square miles. The utility was created in 1998 after the merger of Sierra Pacific Power and Nevada Power. After the merger, NV Energy had to contend with dozens of legacy systems to support its work and asset management functions. NV Energy's management recognized that the situation was untenable and that its systems would not meet future regulatory requirements.

Key messages

- NV Energy consolidated its multiple legacy work and asset management systems onto IBM Maximo and Ventyx Service Suite.
- The project started seven years ago and is currently in its third phase.
- The project necessitated significant business change; Wipro helped win over reluctant stakeholders with time, persistence, and the overall quality of its work.
- In addition to helping NV Energy meet business requirements, Wipro has helped the client keep up with Federal regulations, particularly its gas distribution integrity management program (DIMP).
- The global delivery model used to execute the EWAM project is also the model chosen to support a reorganization of NV Energy's IT department under a new CIO.

Ovum view

NV Energy's EWAM project created a standardized, comprehensive, and regulation-compliant work and asset management platform. The first phase of the project focused on distribution capital projects; the second focused on the gas operations and maintenance; and the third, which is still ongoing, focuses on electricity operations and maintenance. Underpinning the entire project is the implementation of IBM's Maximo asset management software and Ventyx's Service Suite for mobile workforce management. NV Energy's unique requirements forced heavy customization and enhancements of Maximo.

Customers with unwieldy, disparate IT systems, especially those following large mergers (such as NV Energy's), should consider bringing in a third-party service provider to help facilitate the integration of the various business processes. Wipro's project management capabilities allowed both vendor and client to overcome the challenges typical with engagements requiring significant business change. It is clear from the results and speaking with the client that Wipro not only won over reluctant stakeholders but also delivered a program with long-term benefits using a model that conforms to NV Energy's reorganized IT department.

RECOMMENDATIONS

Time, persistence, and quality of work is still the best way to win over reluctant stakeholders

To plan and execute the EWAM project, it was imperative to bring together every core business unit to develop a consolidated, complete view of the business and specific requirements. The project team, staffed by both NV Energy and Wipro employees, needed to understand how the project would impact overall business processes. Stakeholder input and cooperation was crucial not only in the planning stages, but also for successful implementation and adoption. While the project had support at the executive level, the prospect of having a third-party service provider come in and implement a fairly extensive system met with some resistance across the company.

Wipro overcame this obstacle through long-term change management. It took a while for Wipro to convince NV Energy's employees of the project's benefits, but attitudes and culture did finally change.

CUSTOMER CASE FILE

IT services data sheet: NV Energy's managed services project

Table 1: Wipro–NV Energy data sheet

Vertical industry	Utilities	Type of service	Application services, asset management
Priority issue	Work and asset management system	Length of contract	7 years+

Source: Ovum

Background

NV Energy is a utility company based in Las Vegas, providing electricity and natural gas to over 2 million customers in north and south Nevada. The company is the result of a merger in 1998 of Nevada Power and Sierra Pacific Power. As a result, however, there were nearly 100 disparate asset management processes supported on two separate platforms. NV Energy needed to consolidate these systems and to improve the way it recorded the full lifecycle of its transmission and distribution assets, from capital construction projects, through operation and maintenance, to decommissioning. Additionally, NV Energy's board wanted to prepare itself to meet tightening gas distribution regulations. Following a competitive tendering process, Wipro was appointed NV Energy's lead systems integrator. The partners have since implemented the first two phases of the work and asset management project – for capital construction and gas operations and maintenance – and are now implementing phase three, for electricity operations and maintenance.

Implementation and results

The first phase of NV Energy's EWAM program, which focused on capital construction for distribution assets, began in mid-2007. Before it selected Wipro as its systems integrator, NV Energy had already chosen IBM's Maximo (for core asset and work management) and Ventyx Service Suite (for mobile workforce automation). A critical aspect of Wipro's bid was its knowledge of Maximo, which NV Energy told us "was better than IBM's." NV Energy had some very specific requirements that were not available in the core Maximo product, and so needed an integrator partner with a deep understanding of the software to make some significant customizations and enhancements. Phase one went live in late 2010. Phase two, which focused on NV Energy's compliance with DIMP and other gas regulatory requirements, went live in 2012.

This project was NV Energy's first major IT initiative to use a global delivery model, where a significant amount of work was done offshore. A strong IT partner was vital, as NV Energy's internal IT department lacked the resources to deliver such a large-scale project. In fact, EWAM was run by staff from the operations side rather than IT.

As with many multi-year projects, there were unforeseen barriers. During the project some internal political challenges arose, and one of the biggest hurdles to overcome convincing employees of the long-term benefits of the EWAM program. Ultimately, it was time, persistence, and patience that helped Wipro and NV Energy overcome these obstacles.

The EWAM implementation has helped NV Energy gain a lot of experience in large-scale IT transformational projects. Working alongside Wipro, the company has established a number of best practices. NV Energy's new CIO, who joined the company a year ago, was asked to review the EWAM project. After this review, he not only supported it but further leveraged a global delivery model within the IT organization.

APPENDIX

On the Case

On the Case is a premium case study produced by Ovum's IT Services team. These case studies highlight IT services and outsourcing engagements based on a series of criteria, including innovation (a unique component in either service engagement or delivery, or the deployment of cutting-edge technology), proven business benefit or impact, and demonstrable ROI. On the Case is designed to provide insight to enterprise customers looking to implement similar IT services or outsourcing engagements and/or to provide lessons learned on how to work and interact with the IT services/outsourcing vendor profiled in each case study.

Further reading

- *On the Case: IBM – Crosslands*, IT019-003192 (April 2013)
- *On the Case: HCL – Dex One*, IT019-003139 (January 2013)

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