

## Keyspan Energy

# Improved Management Environment Eases Deregulation Confusion

### THE CHALLENGE

Creating workforce efficiency was not a major focus for most utility companies. After all, in a regulated industry if a utility's costs increased due to inefficient operations, the company could pass those costs along to consumers in the form of higher energy bills. However, today utility companies are faced with competition and must operate like most other businesses to stay in business. Deregulation is also forcing the industry to undergo consolidation and the challenge of blending diverse business cultures into unified operations.

### ACTION

KEYSPAN ENERGY, of the New York metropolitan and Long Island Region, has been facing these new challenges head-on. The company has taken bold steps to prepare employees for deregulation and move them from an autocratic style of management to a participatory environment where information is shared and utilized for efficiency. KEYSPAN's Andy Worsnopp, who heads up professional development, says that many of the people being re-trained are in practical operational areas of the business. "You must find a way of learning that engages them and allows them to actually experience the power of change within an organization," according to Worsnopp. KEYSPAN looked diligently for a simulation that would kick off its Core Management Practices workshops and found Paradigm Learning's *Neon Buzz* business simulation. Worsnopp was impressed by Paradigm's understanding of adult learning techniques, which are applied in all Paradigm training games and simulations.

### RESULTS

KEYSPAN ENERGY used *Neon Buzz* to set the stage for an improved management environment when they launched its Core Management Practices workshops in its gas business. The simulation's ability to take participants from a rigidly structured, micro-managed situation to a cooperative team environment was the perfect catalyst for a shift in business philosophy. "We especially liked the premise for the operation of *Neon Buzz*. The story takes place outside the realm of gas and electric companies and enables our people to see the overall benefits of teamwork in business, regardless of industry. *Neon Buzz* shows our employees where they've been (an autocratic environment) and why they must make changes to avoid returning to that environment."

Deregulation in the utility industry means more than competition. It also brings business consolidation, and KEYSPAN ENERGY has itself resulted from the merger of two strong utility companies. The company was formed as a result of the merger of Brooklyn Union Gas and the former, Long Island Lighting Company (LILCO). The merger has enabled the new company to provide energy services to a much larger geographic territory. To compete successfully in a larger, deregulated market employees must utilize innovative thinking and generate profits without increasing energy bills. *Neon Buzz* provides incentive to travel down that new path for doing business.

