

# INTEGRATING ENERGY EFFICIENCY INTO CORE BUSINESS PRACTICES –

## AN INSTITUTIONAL WORK PERSPECTIVE ON THE IMPLEMENTATION OF ENERGY MANAGEMENT SYSTEMS

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Patrick Crittenden

PhD candidate, University of Technology, Sydney

Director, Sustainable Business Pty Ltd

ECEEE Summer Study Presentation

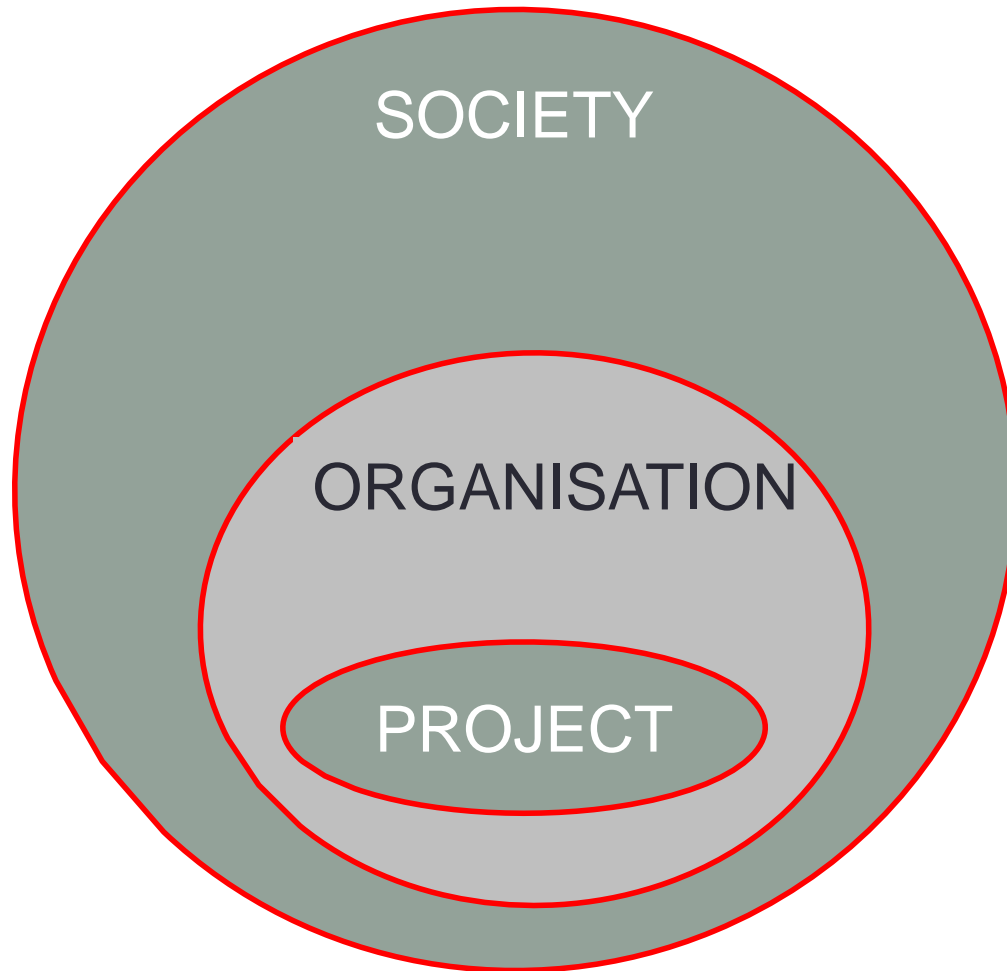
13 September 2012

# Outline

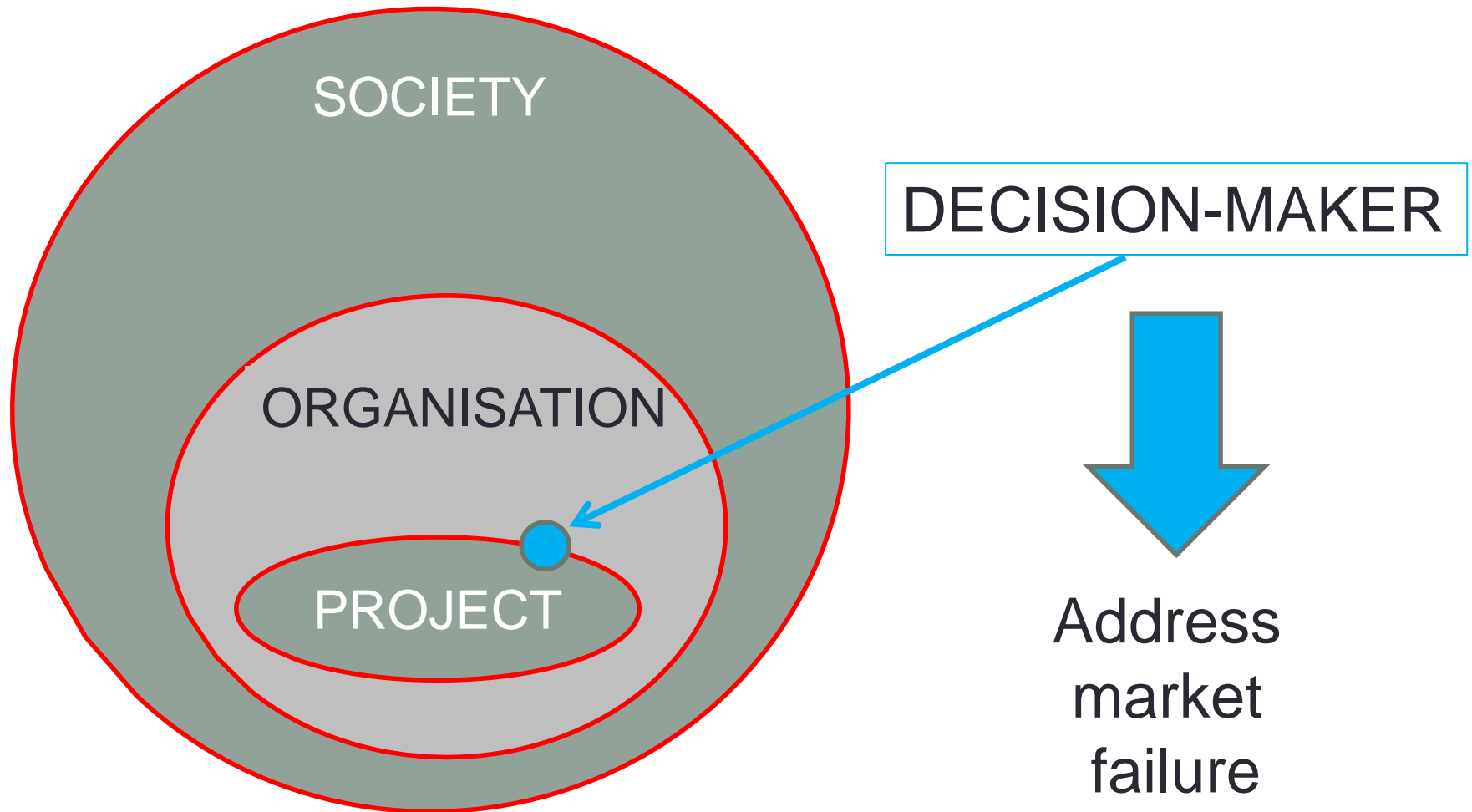
- A bit of theory
- My approach to the research
- Actions practitioners are taking to integrate energy efficiency into their core business practices
- Considerations for practitioners, policy makers and educators
- Practice areas that warrant further attention

A bit of theory ...

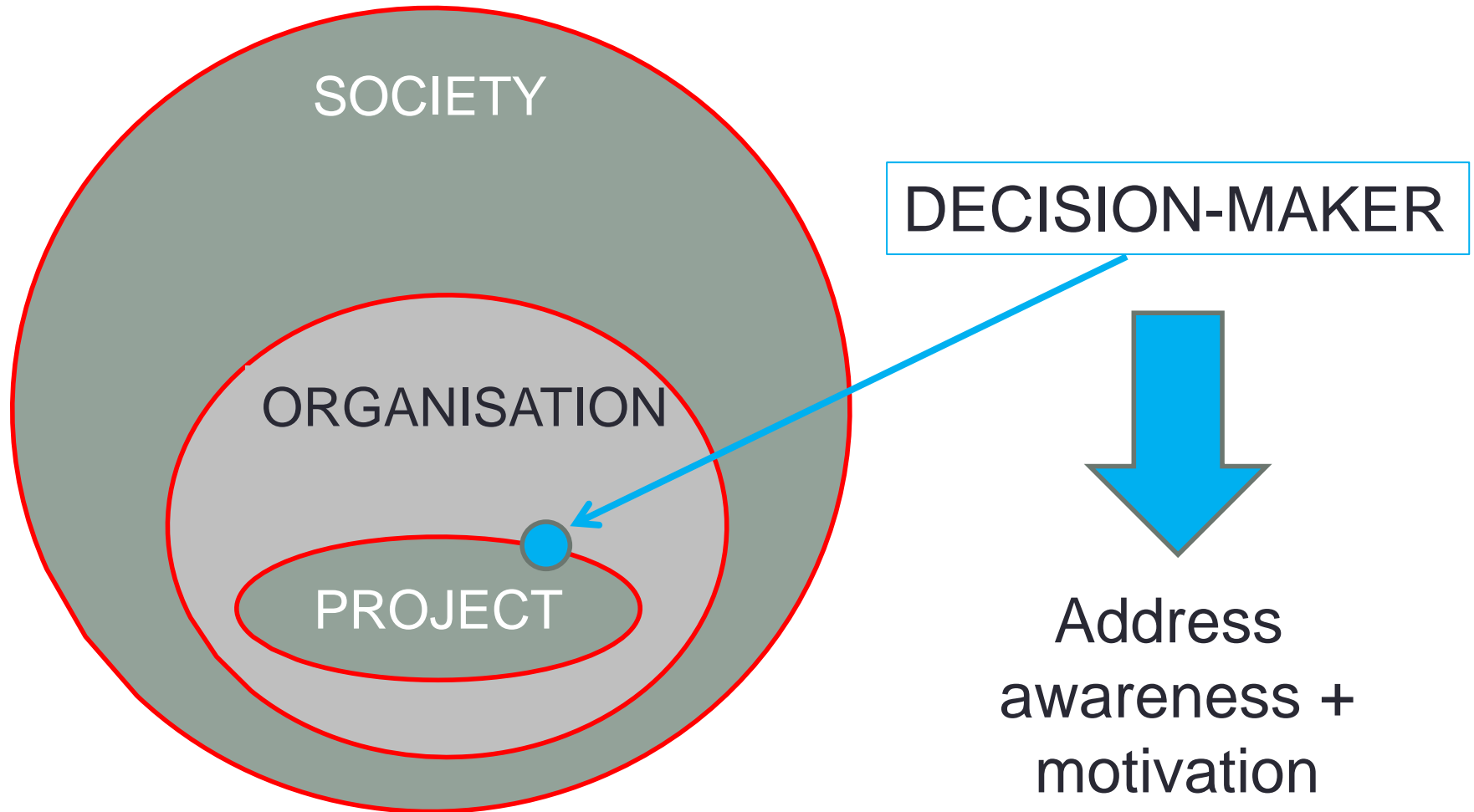
# Adopting a multilevel view ... 3 levels of change



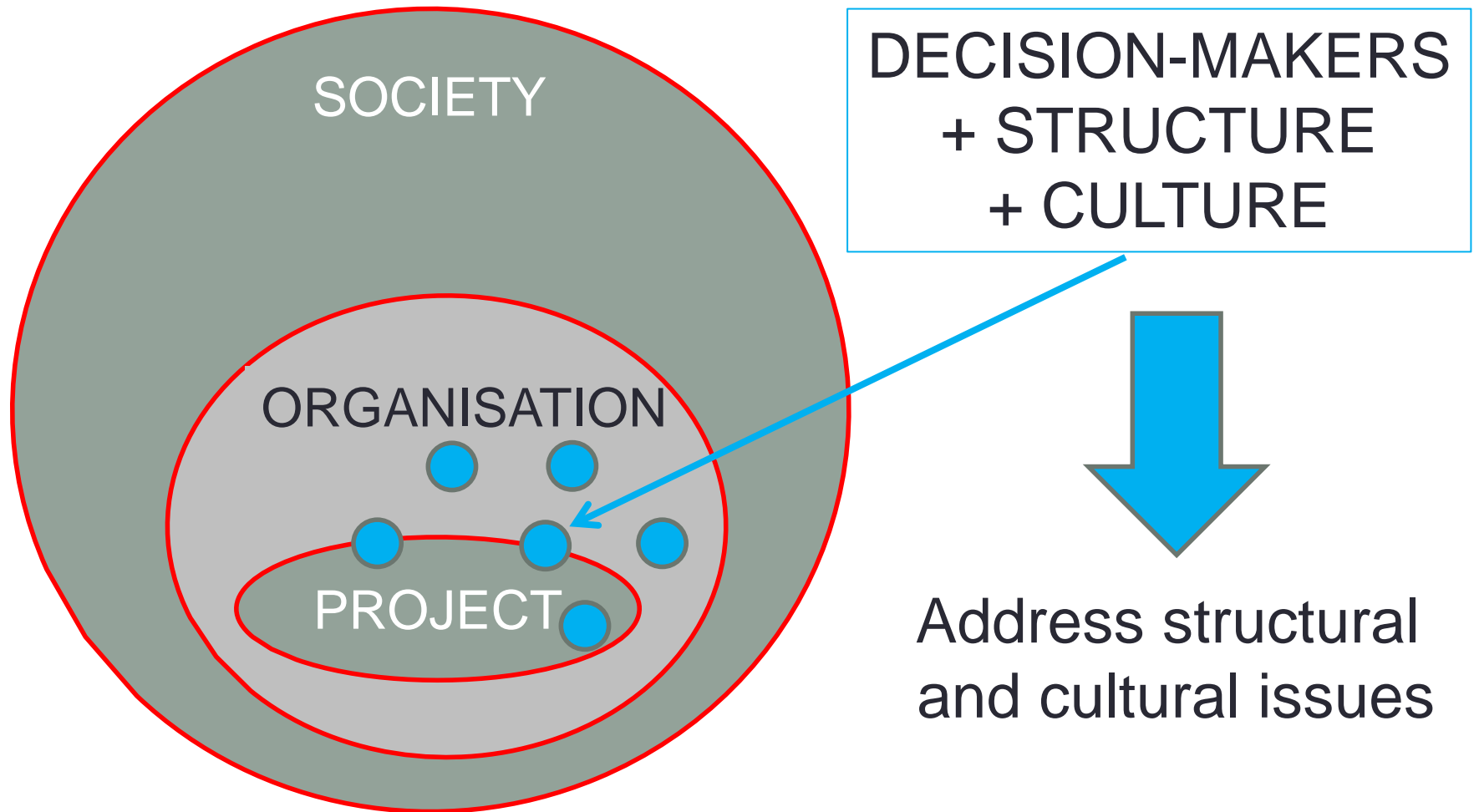
# Conventional economic perspective



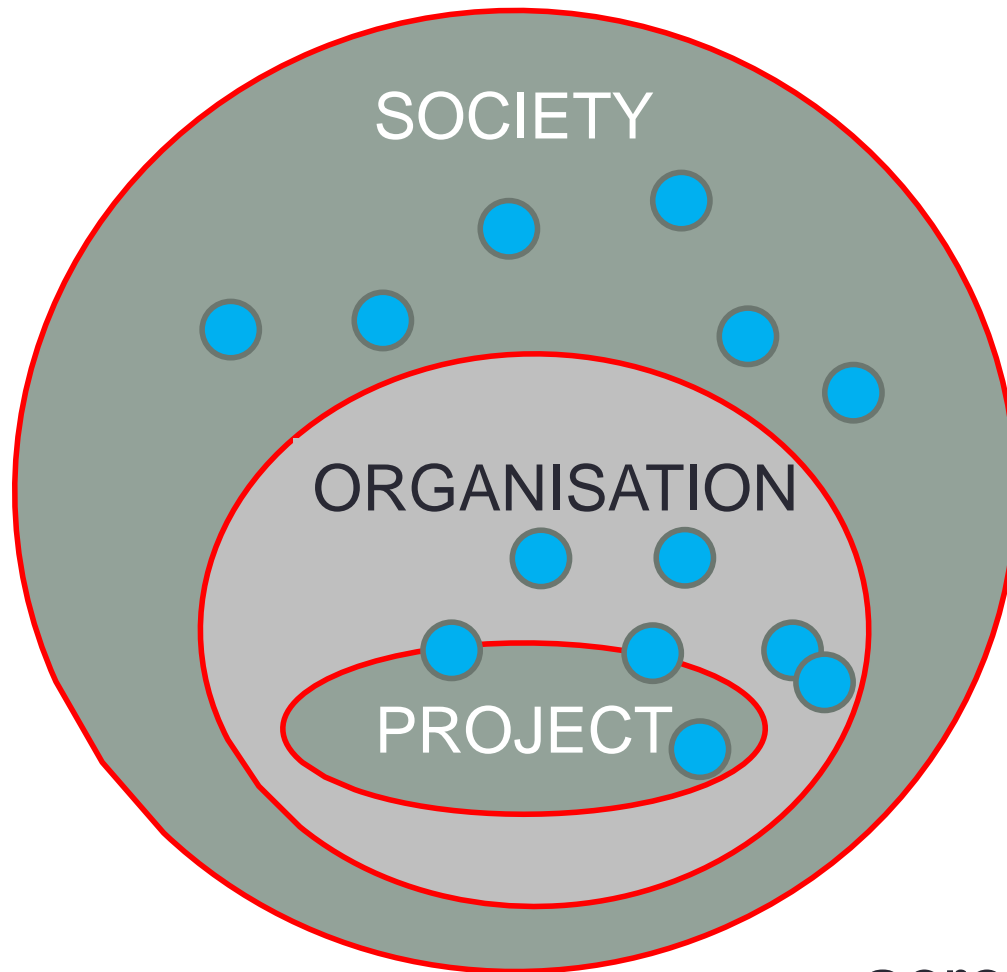
# Behavioural perspective



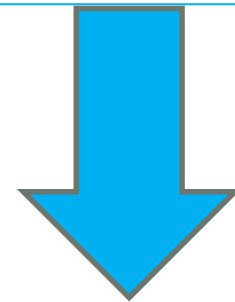
# Organisational perspective



# Sociological perspective



DECISION-MAKERS  
+ STRUCTURE  
+ CULTURE  
Within AND outside  
the firm

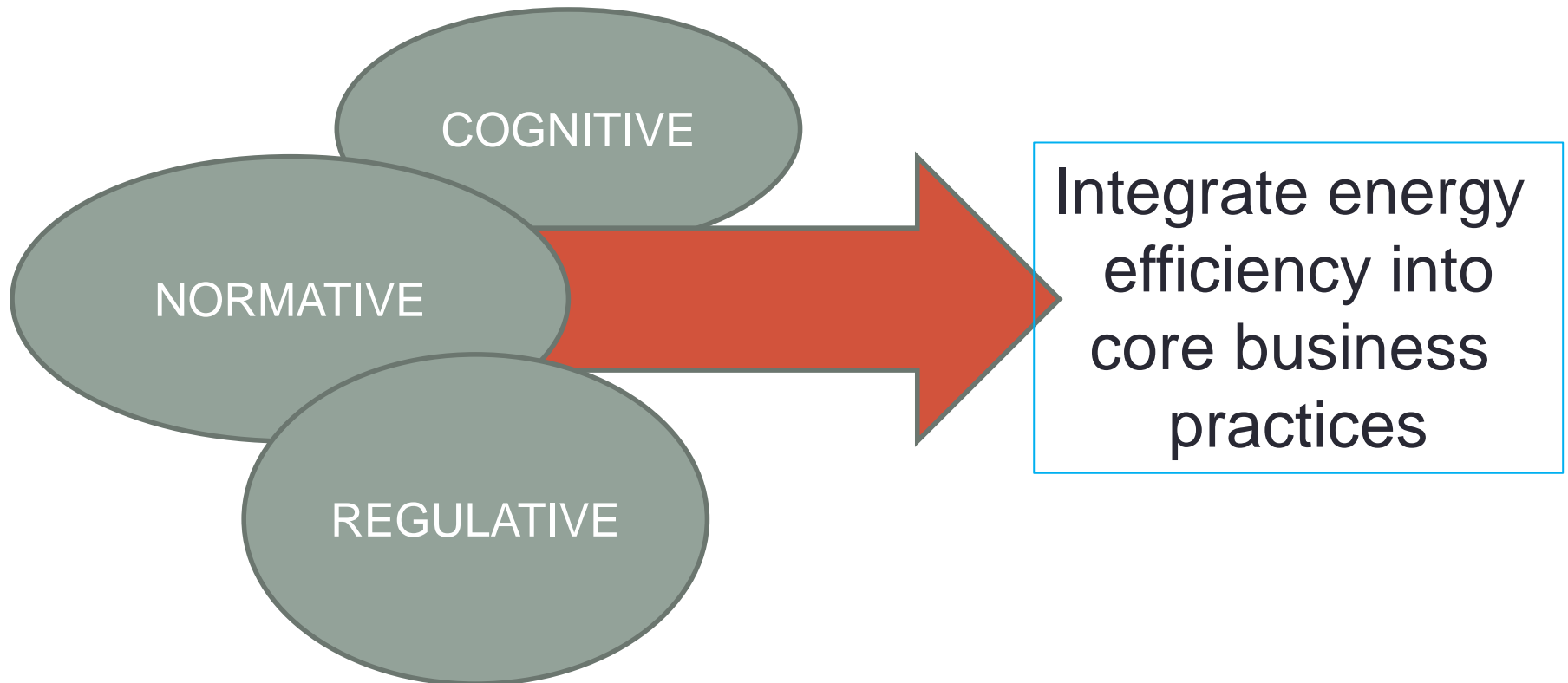


Leverage the  
interconnections  
across people & technology



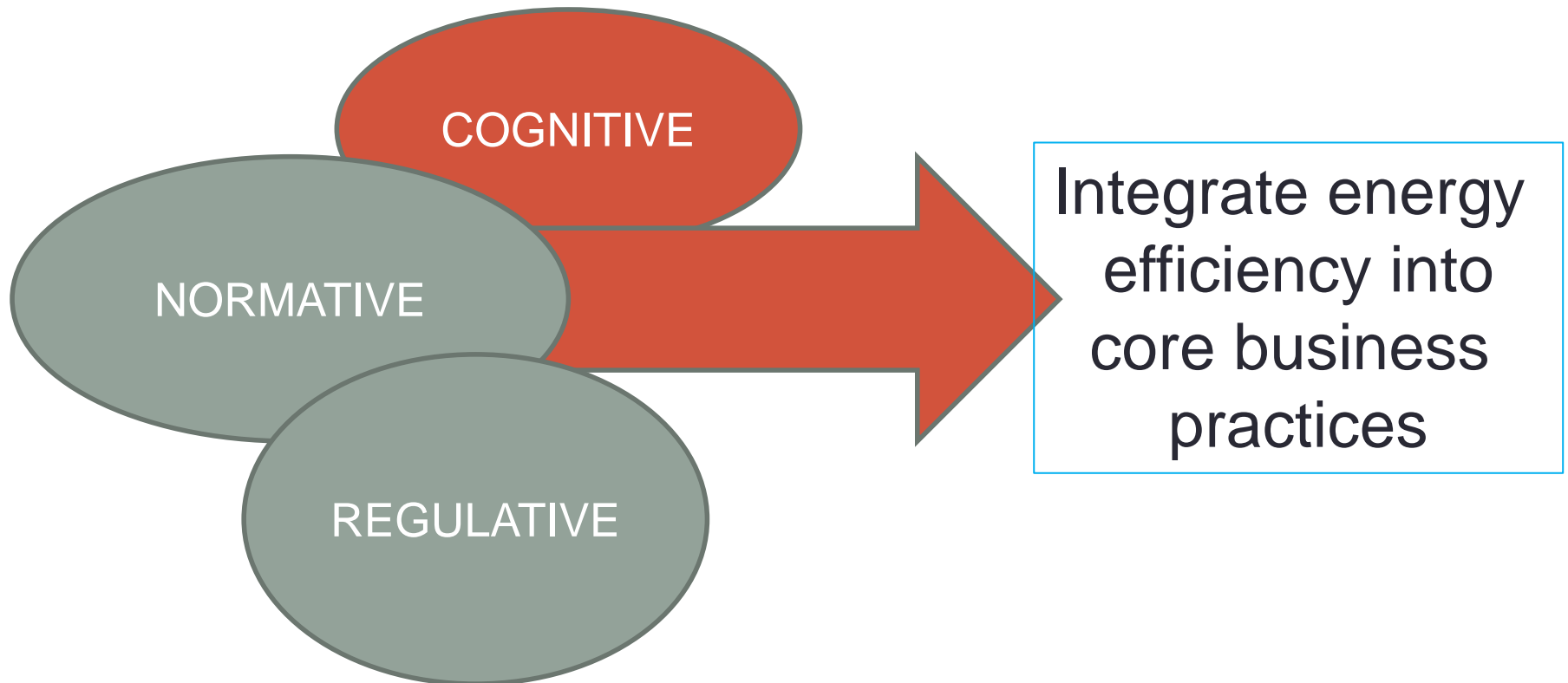
# Institutional theory as an analytical framework

Three mechanisms for change



# Cognitive

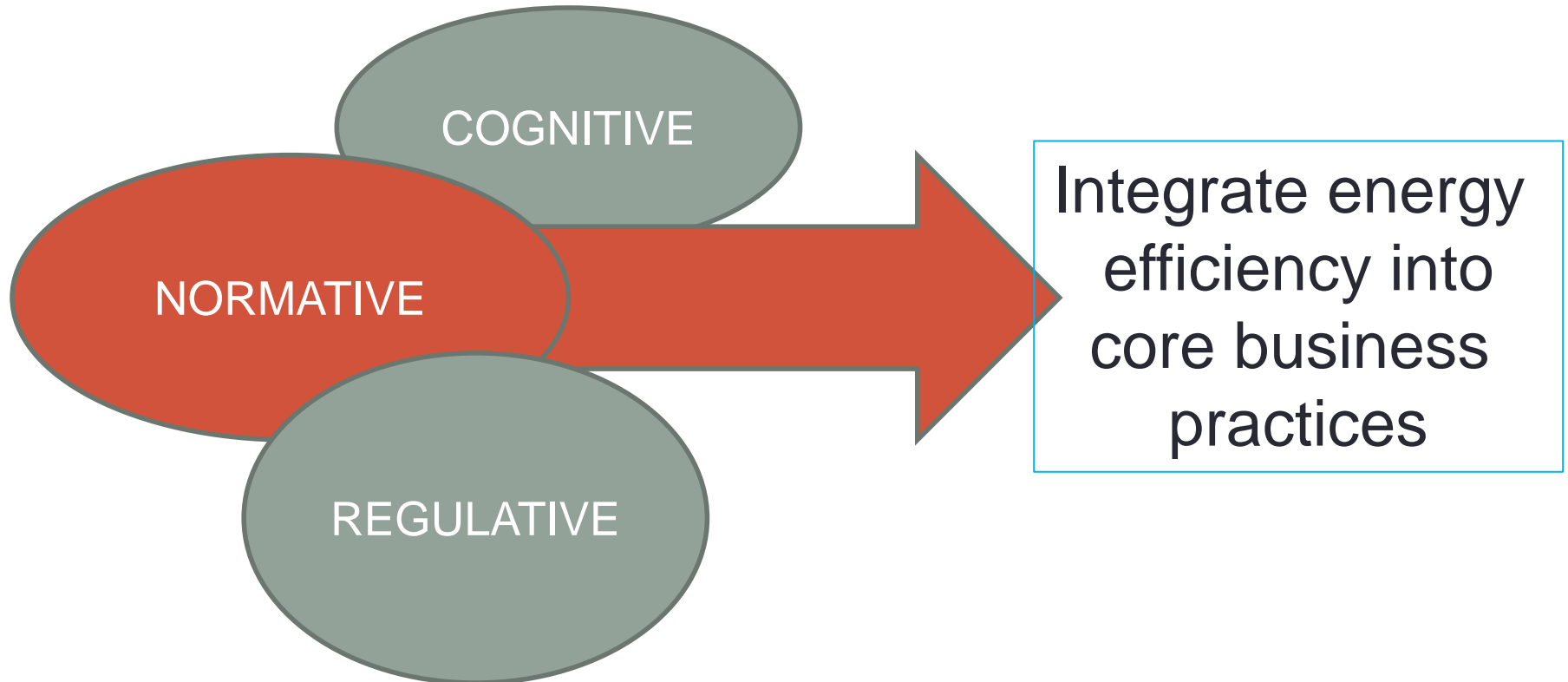
How do practitioners influence underlying beliefs and assumptions about energy efficiency?



# Normative

How do practitioners

develop social perceptions and networks that encourage energy efficiency improvement?

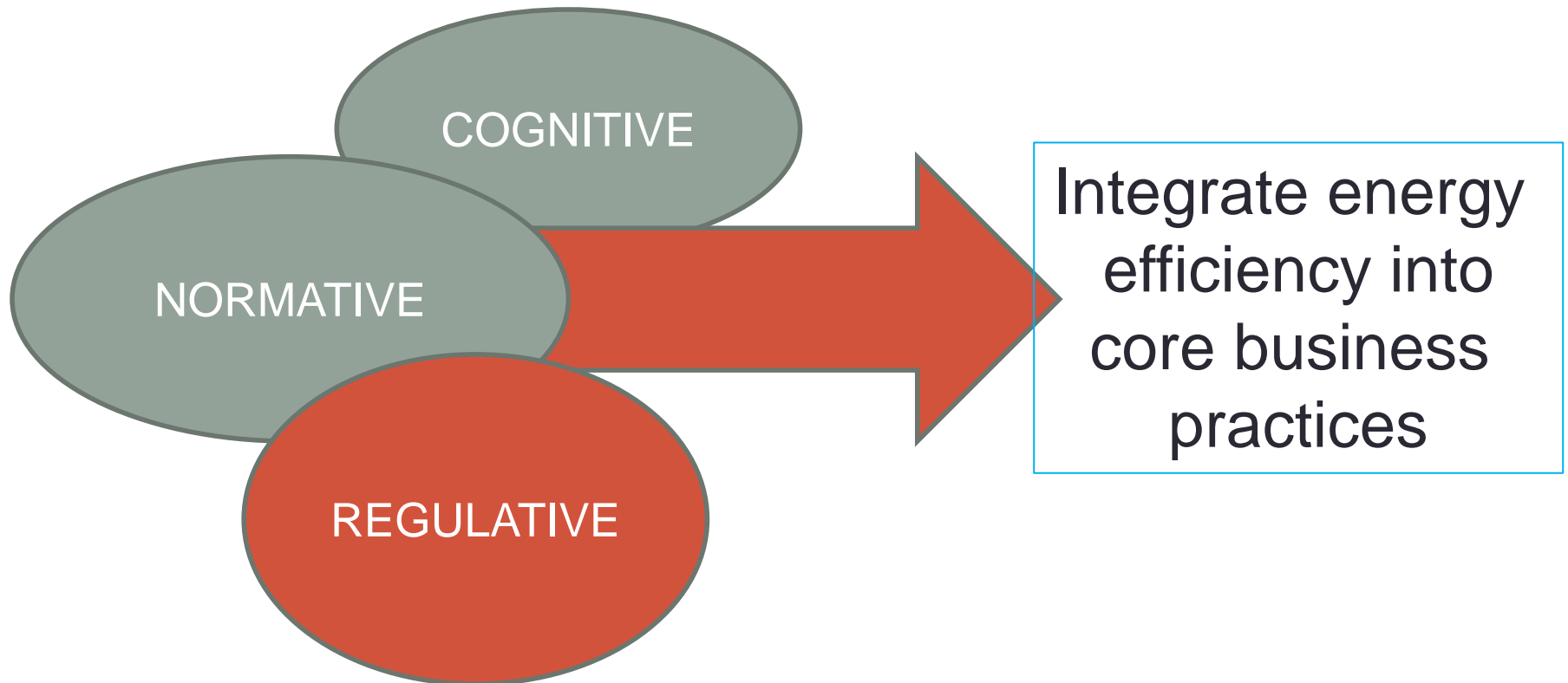


# Regulative

How do practitioners

establish formal incentives and penalties

associated with energy efficiency improvement?



My approach to the  
research...

# Energy Efficiency Opportunities workshops

- Annual workshop series – 10 days of workshops across 5 cities
- Attended by around 600 people
- Includes presentations from companies involved in the Australian Energy Efficiency Opportunities program

# Data and analysis

- 20 x 10-15 minutes presentations and question and answer sessions that practitioners were involved in
- Institutional theory framework to guide analysis
- NVivo qualitative analysis software to support analysis

Actions practitioners are taking to integrate energy efficiency into their core business practices ...



# Cognitive institutional practices

Practitioners influence underlying beliefs and assumptions about energy efficiency by:

- Improving the infrastructure that supports data collection, analysis and reporting
- Conducting regular senior management update briefings
- Incorporating co-benefits into the business case proposals for energy efficiency projects
- Integrating energy efficiency into organisational training programs.

# Normative institutional practices

Practitioners develop social perceptions and networks that encourage energy efficiency improvement by:

- Incorporating energy efficiency responsibilities into formal role descriptions
- Establishing and maintaining cross-functional energy efficiency teams
- Designing and implementing organisation-wide communication and change management strategies
- Integrating energy efficiency into written operational procedures

# Regulative institutional practices

Practitioners establish formal incentives and penalties associated with energy efficiency improvement by:

- Integrating energy efficiency criteria within performance management systems
- Establishing systems and procedures to support external reporting and other compliance requirements

Considerations for  
practitioners, policy makers  
and educators ...

# Considerations for practitioners

Analyse the social system within and outside the organisation.

Consider:

- What are we doing now?
- What works and what doesn't?
- What are others doing that we can learn from?
- Where should we focus our attention?
- Why?
- When?

# Considerations for policy makers

- How can you design-in or retrofit mechanisms that supports a collaborative learning environment across industry participants and with government?
- What types of 'peer-to-peer' learning activities might you support?

# Considerations for educators

- Develop training and education in ‘change management’ skills. May involve the development of new programs and/or be incorporated into existing programs
- Encourage and support training for non-engineering professions. Example: University of Technology Sydney and Ernst & Young *Leadership & Change for Energy Efficiency in Accounting & Management* project

<http://www.business.uts.edu.au/energyefficiency/>

# The Energy Efficiency Exchange



**The bottom line on energy efficiency**

A joint initiative of Australian, State and Territory Governments

 / Energy Management / The Business Case and Beyond

## The Business Case and Beyond

- **Planning your business case – a summary**
- **Developing your business case – six strategies**
- **Writing your business case – a summary**
- **Influencing company culture, systems and processes**
- **Industry case studies**
- **Checklists & Tools**



# Practice areas that warrant further attention

- Evaluating the value of:
  - constructive industry/ government relationships
  - peer-to-peer networks and learning
- Critically evaluating the effectiveness of the consultant to client relationship
- Challenging our own assumptions – it's a continuous improvement process! How can we improve our effectiveness as change agents for energy efficiency.

# Thanks!

Patrick Crittenden

Phone +612 8003 4752

Mobile +61 418 453 779

Email: [patrick@sbusiness.com.au](mailto:patrick@sbusiness.com.au)

Web: [www.climatechangepstrategy.com](http://www.climatechangepstrategy.com)

Twitter: @PatCrittenden