

# Building a strategic framework for JEA

September 24, 2018



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# Today's agenda

**Guiding principles going forward**

**Draft workplan**

**Questions on stakeholder engagement**

**Next steps**

Are there any other topics you would like to cover?

Are there any of these topics that are most important to cover?





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# Guiding principles for the effort – others to add?

## Guiding principles

### Engagement

- **External stakeholders:** Aligning all relevant stakeholders outside the organization on the strategic framework and key metrics is crucial for success
- **Employees:** Engaging employees to provide insights, concerns, and ideas creates broad followership within the organization
- **JEA leadership:** Involving JEA leaders from day-1 and turning them into sponsors of strategic initiatives ensures the implementation of the initiatives

### Fact-based insights

- **Underlying trends:** Developing an understanding of industry trends and emerging technologies is vital to set the right strategic priorities
- **Clear, quantitative metrics and goals:** Defining clear targets against which initiative impact can be measured allows to measure the success of initiatives

### Not starting from zero

- **Existing knowledge base:** Leveraging previous work of the organization and building on existing insights helps to kickstart this effort

### Co-creation

- **Co-development is key:** Developing detailed plans in coordination with JEA initiative owners enables capability building and generates organizational buy-in
- **Build capabilities:** Building capabilities allows the organization to tackle strategic planning in a continuous process going forward



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# Two-phase approach to strategy development



## Phase 1: Framework and principles



## Phase 2: Strategic initiative planning

*Refining the existing strategic framework and building internal and external stakeholder alignment through a rapid review of key trends facing JEA*

*Identifying, prioritizing, and driving progress towards strategic initiatives to achieve the goals set in the strategic framework*



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# Proposed approach



## Phase 1: Framework and principles (4 weeks)

- ① Assess the **status quo** of the organization
  - Review existing framework & materials, and interview senior leadership
  - Conduct benchmarks
- ② Align perspectives on **major trends** and create common demand forecast
- ③ Develop **key metrics**, guiding principles, and **strategic framework**
- ④ Build **stakeholder support**, i.e.,
  - Engage employees on strategic framework
  - Closely involve board members and JEA leadership in decision making process



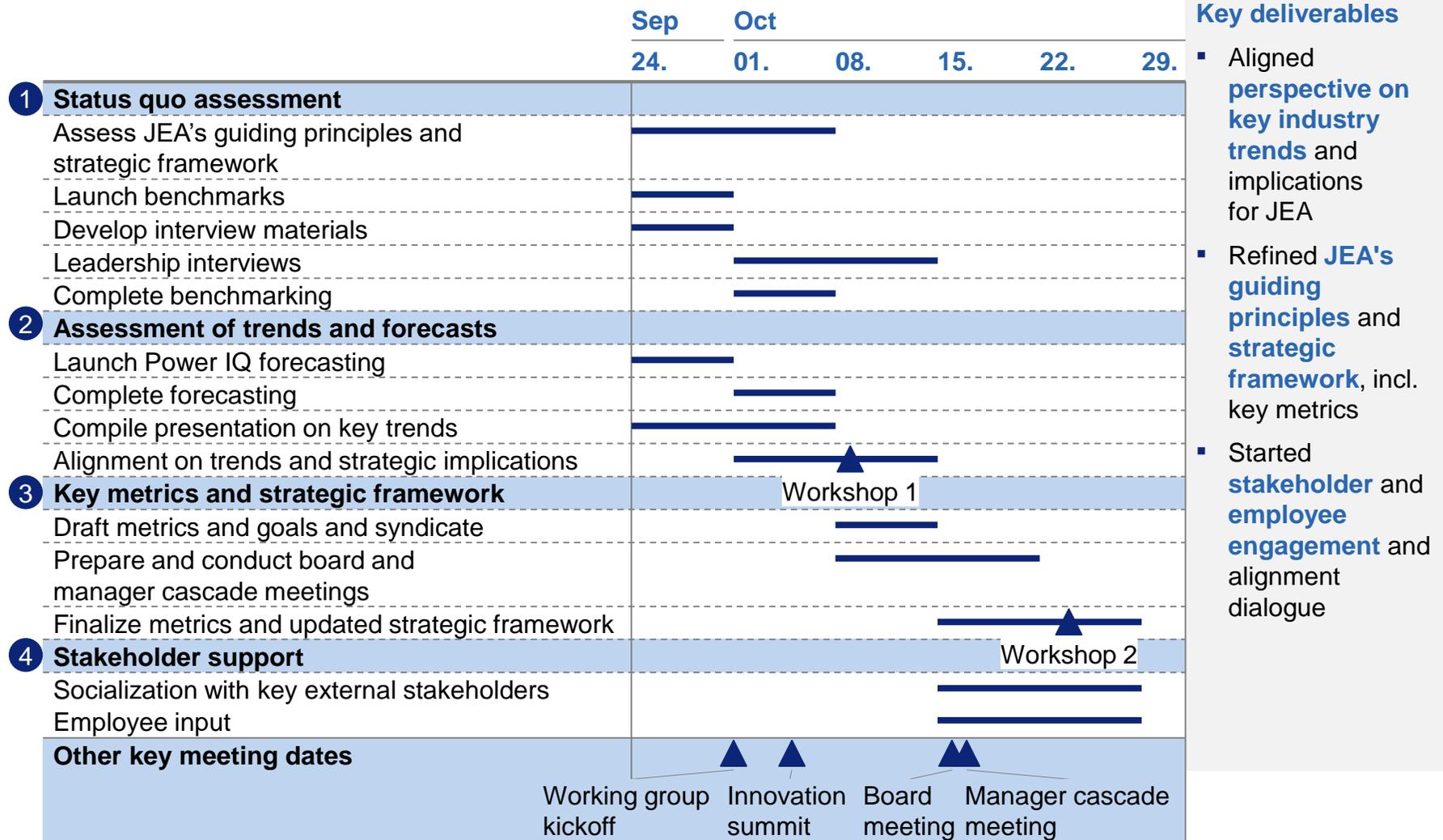
## Phase 2: Strategic initiative planning (4-5 months +)

- ⑤ Conduct an **organizational health assessment** and develop **change management** approach
- ⑥ Define **strategic initiatives** and prioritization to achieve company objectives
- ⑦ Develop **business plans, overall financial impact** (e.g., capital requirements) and **implementation roadmap**, as well as a **tracking system**
- ⑧ Syndicate **10 year strategic plan** in series of leadership and board meetings



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# Phase 1: Refinement and alignment on JEA's framework and principles





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## For discussion

Stakeholder	Open questions	Thought starters
External	<ul style="list-style-type: none"> <li>▪ Who are the <b>key external stakeholders</b> to engage?</li> <li>▪ What are the <b>main topics</b> of interest to them in the process?</li> <li>▪ What were <b>successful ways</b> in the past to engage them?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Offsite half-day strategic initiative workshop</li> </ul>
Employees	<ul style="list-style-type: none"> <li>▪ On <b>which topics</b> do we want employees' input?</li> <li>▪ What <b>forums/methods</b> should we use to engage them?</li> <li>▪ How do we <b>align employees</b> around strategic initiatives?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Idea generation, strategic direction, initiative outlining and detailing</li> <li>▪ Open forum to comment on strategy material (phase 1); Idea generation workshops (phase 2)</li> <li>▪ Plan for cascading change story</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>▪ Who are the right <b>JEA leadership members</b> to interview?</li> <li>▪ Who should we <b>continuously engage</b> within workshops?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Top 10-20 leaders across core functions</li> <li>▪ Potential initiative sponsors and influencers</li> </ul>



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## Next steps

**Schedule leadership interviews for week of Oct 1 and 8**

**Schedule regular meetings weeks, e.g., working team, SteerCos, employee check-ins**

**Start data collection for benchmarking effort**

**Start working on overarching data requests**



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# Backup



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# Initial data requests

## Category

### General

- Last 3-5 years Company and BU financials, incl. O&M-costs, Capital
- Any financial forecasts
- Org charts

### Strategic initiatives

- Current strategy documents
- Off-the-shelf KPIs and/or metrics that are being tracked
- Forecasts, e.g., power demand and supply by customer class
- Any strategy documents you have recently presented on trends, e.g., market, customers, etc
- Documentation on recent and ongoing initiatives, e.g., grid modernization, cost reduction, distributed generation



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# Calendar for the next 4 weeks

October 2018

M	T	W	T	F
1	2	3	4	5
McK-team in JAX				
Working team kickoff				Innovation summit
8	9	10	11	12
McK-team in JAX				McK-team remote
	Trend alignment workshop (tbc)			
15	16	17	18	19
McK-team in JAX				McK-team remote
	Board meeting	Manager cascade meeting		
22	23	24	25	26
McK-team in JAX				McK-team remote
	Strategic framework mtg (tbc)			



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# A successful strategic plan is underpinned by 7 core principles informing our approach

## An effective strategy requires:

-  A strategic plan responsive to trends
-  A clearly articulated vision for the future
-  Defined goals and metrics for success
-  An aligned organization

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-  Discrete initiatives, clearly prioritized
-  Owners accountable for driving each initiative
-  A clear process to track and measure progress

## Phase 1 priorities

- JEA has articulated an understanding of trends and defined a Framework supported by Corporate Metrics
- The goal of phase 1 is to supplement view of trends, drive organizational alignment and establish a rigorous framework of metrics and benchmarks

## Phase 2 priorities

- Phase 2 will aim to identify, prioritize and drive progress towards strategic initiatives that will achieve JEA's corporate metrics
- It will also create a clear tracking structure, supported by continuous change management and capability building



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# What is a change story ...

## What are the objectives of a Change Story

- To rally the organization around a change program, creating **excitement and buy-in at all levels**
- To make the change **personal and relevant** to each level of the organization

## What are the benefits for a transformational program?

- To make the transformational program change more **clear, actionable and structured**, by requiring to craft a change story to be shared with the team
- To build **awareness of the need for change at all levels** by making the change relevant for each unit
- To **ensure buy-in** by having employees write their own change stories and provide their feedback on their managers' vision for change

## In which setting should it be used?

- In development phase:
  - When leadership team need to develop a change story collaboratively at each level
  - When customizing the change story from the level above to your own level
- In rollout
  - When sharing change stories widely and creatively (e.g., town halls, gallery walks)
  - When presenting the change story at rollouts with leaders' direct reports