

Comisión Federal de Electricidad, CFE, is a decentralized public electric utility that generates, transmits, distributes and markets electrical power to 24.5 million clients, representing almost 80 million Mexicans throughout Mexico. Today 128,446 localities are served and their inhabitants receive better and faster attention through 951 customer service offices and 1,980 Cfemats, where customers can pay their electricity bill at any time, 365 days a year.

Comisión Federal de Electricidad Uses QPR ScoreCard and QPR ProcessGuide to Improve their Organizational Performance

CUSTOMER CASE:



CFE has 176 power plants and a transmission net of 47,884 kilometers. Electrical power generation at CFE is made possible through technologies available today: hydroelectric power, thermal power, wind power and nuclear power plants.



Comisión Federal de Electricidad - CFE's philosophy is to stand up to the competition every day, working with quality and the highest technology to ensure excellent service to customers with full respect for the environment. CFE is proud to be a world-class enterprise.

Decision-making made easier

The original targets set for CFE's performance improvement project were to identify those performance indicators that help make the decisions that improve CFE's performance the most. Other targets were to include a performance measurement system that provides significant bases to measure individual and organizational performance, and to acquire modern performance and process management tools that increase the accuracy, flexibility and velocity of the information delivered

"We use QPR solutions to direct all our efforts towards the achievement of our strategic and operational goals. With the methodology of Performance Management and QPR we can commit all our employees to change processes and obtain their active participation and joint efforts that will lead to continuous improvement in the quality of our production processes."
Ing. Cesar Fernando Fuentes Estrada, CPTT

internally. All this would help CFE to become a strategy-focused organization, improve decision-making and drive process excellence throughout the organization.

As CFE wants to remain the leading domestic electrical utility and to operate according to international benchmarks in terms of productivity, competitiveness and technology, it is crucial for them to achieve all of their targets.

QPR helps to measure and improve performance

CFE had chosen Balanced Scorecard (BSC) as their management methodology. The project was designed to provide good application of performance management inside

the organization. After the BSC methodology training, the project focused on offering a robust solution that allowed executives to:

- Create a strategy-focused organization according to the Balanced Scorecard methodology.
- Align their processes according to their company strategy.
- Create a strong common corporate culture by implementing performance management.
- Analyze their business performance to a more detailed level and capture the data from various sources.
- Have a faster response time to certain actions since they can easily see how various indicators affect their company strategy.
- Have a dynamic Web-based tool to monitor, communicate and improve the performance of the organization's core process.

Why QPR?

After a thorough evaluation, CFE chose QPR tools because:

- QPR products help CFE execute their strategy because QPR is easy for business people to use.
- QPR is a tool for management to model, check, verify, act, direct and measure CFE's processes.
- QPR ScoreCard visualizes the link between company strategy and individual measures, allowing users to drill down to the processes.
- Projects can be monitored and communicated through a Web-based QPR Portal.
- QPR improves the quality in daily management practices.

Activities during the project

To implement the methodology of performance management CFE followed four phases: Firstly, in 2002, CFE started the analysis and creation of the business case for DPIF. CFE's Financed Investment Projects Direction (DPIF) Unit has as an objective to assure the construction of the infrastructure that CFE requires to

satisfy the demand of electric power. In 2003 CFE continued with the second phase as CFE started the methodology design that involved some analysis activities, Balanced Scorecard design and the introductions and documentation of the chosen methodology.

As the third phase, the implementation of the project took place in 2004. It included the tool evaluation, model's design and formulation of the model, the detailed documentation of the project and finally putting the model created on-line. From 2005 to date, CFE has stayed in the fourth phase of continuous improvement as people are using and improving the model.



Project Implementation Team for QPR in CFE's Financed Investment Projects Direction (DPIF) Unit: Ing. Luis R. Ortega Pierres, Ing. Francisco Ramírez Rodríguez, Ing. Gabriel Montellano Pasillas, Ing. Jerzain Romero, and Ing. Cesar Fuentes Monroy.

The initial reach was a pilot in the area of Coordination of Projects of Transmission and Transformation (CPTT). The reason for this approach was the fact that CPTT has the greater number of people with activities disseminated around the country, and also it has a substantive process types in all the residences.

QPR provides major benefits

Before the implementation of QPR solutions, CFE did not have any indicators to monitor the fulfillment of their targets and goals. Today any QPR ScoreCard view enables users to drill down to measure details, which provide them with an up-to-date performance indicator, a history chart and detailed historical performance

data either at the departmental, team or individual level. In the past very limited flat documents from Excel, Word, and PowerPoint were used to compile information, because an agile system offering access on-line to all users and providing them with up to date data did not exist. Now use of QPR's performance management software provides detailed information. And decisions can be made based on actual data. Alerts lead executives directly to the problem area, where they can drill down and analyze the root cause of the problem in order to come up with informed decisions on how to solve it. Also, knowledge of the current situation of the important projects is provided on-line via QPR Portal.

Common goals are clearly visible to all users via QPR Portal and it is easy to monitor how each one of them is performing. At present, operating personnel up to executives can be involved in guaranteeing the validation.

"A remarkable time saving in producing reports has taken place as QPR Portal offers a possibility to build Briefing Booklets that can be used in communicating the results."

Future Plans

DPIF has hundreds of QPR users around the country today. They use the QPR tools to manage their strategic planning, improve their client satisfaction, their leadership, administer the information and technology and obtain results for their process and personnel development. At the moment CFE is also promoting the diffusion of the model done by QPR tool for other areas.

"We have plans to create a Strategic Group in conjunction with other areas of CFE who are using QPR. Inside the DPIF we have plans to connect the external information systems to the QPR application to automate the data gathering, including the document management," concludes the Project Implementation Team in unison.