Cognizant®

Case Study: Energy & Utilities

Customer Experience Transformation for a Major European Utility

A leading European provider of gas, electricity and boiler services partners with Cognizant to transform customer journeys and improve experience to over 750,000 customers.

It used to be simple to be an electricity customer. Use the lights, pay the bill. Today, however, utilities customers expect a more flexible and engaging experience, – including more ways to interact and more options for paying for service. A leading provider of gas, electricity and boiler services knew it needed to replace its outdated billing system or risk losing customers.

The utility's existing Oracle® Utilities Customer Care and Billing (CC&B) software was about to become obsolete. It was also highly customized, requiring significant effort to make changes. This hampered its ability to meet customer expectations in the digital age. We partnered with Oracle to upgrade the utility's platform and to help the client begin its journey to being digital.

At a glance

The client's Oracle CC&B 2.1 solution was going out of support and we were engaged to help with an upgrade to the 2.5 version, which would be the backbone for the utility's digital transformation. Post-upgrade, the utility would be able to unleash a new way of thinking about offerings and digital journeys to build on better, personalized customer service experience both on- and offline.

Outcomes

The utility achieved a variety of benefits from the upgrade, including:

▮ Savings amounting to $121,000 as a result of successful Cobol-to-Java (C2J) tool and system-performance optimization.

Beginning The Digital Conversation With Customers

The utility faced several challenges common to its industry. Its core systems were built on legacy platforms that did not supply the flexibility and advanced digital capabilities that would allow it to compete in an expanded marketplace. Burgeoning regulations created additional complexity.

The utility had a vision for the type of customer experience it wanted to provide. Rather than serving customers mostly via telephone in a call center, a digital system would automatically gather relevant customer information and populate it on multiple online platforms as part of its omnichannel service strategy. Customers would be able to handle basic functions on their own. If necessary, they would escalate to a customer service rep via their preferred channel.

The utility engaged us to upgrade its Oracle CC&B system to better position it to compete in the digital era. The new version enabled scalability and flexibility – two major prerequisites for enhanced customer engagement that forms the foundation for growth.

New Version, New Opportunities

A major implementation obstacle: The utility was migrating from an obsolete version of the system to the latest release, jumping over nine years of upgrades. These upgrade versions offered better automations, better technology support, better security features and, generally, a better digital transformation framework. Skipping over them caused issues in the eventual upgrade.

For example, the old version of Oracle CC&B had supported COBOL, which was no longer part of Oracle's support and upgrades. Many of the legacy system's capabilities were written and customized

- Greater than 40% reduction of the development and testing time to ensure lower upgrade cost and convert more than 3,000 Cobol components across 600 programs to Java.

- Annual savings of $126,000 per year due to reduced system customization by adopting enhanced features in Oracle CC&B 2.5, enabling lower support costs and 30% fewer system errors.

- Optimized processes for invoicing, billing, boiler services and meter management, making for a smoother and more pleasant experience for customers. 15% increase in customer retention and acquisition.

- A 30% to 40% reduction of the total cost of ownership (TCO) for its CC&B systems and associated applications.

back in 2009, when the utility deployed the solution for the first time. The utility then modified the system without upgrading. This posed a lot of risk as all customizations had been done in COBOL.

We were one of the first system integrators worldwide to build competency and execution by successfully converting more than 3,500 existing components to Java. Our team scanned over 30,000 lines of code to understand the logic and produce test cases to determine whether the converted Java code performed the same function as the original COBOL code. We used an automation C2J tool as part of the migration, and this saved a vast amount of resources and reduced conversion time. As result, the business achieved further savings due to the elimination of higher licensing and support costs.

There were several customized components and a lack of documentation. So, our team used reverse engineering to create more than 30 design documents from scratch. Now the utility has records that it can reuse to derive better insights for future projects.

Other benefits of the project:

▌ The reduction in customization decreased the support costs and system errors.

▌ Use of the C2J conversion tool reduced the overall cost of the upgrade.

▌ The cost of customer service was reduced due to the addition of self-service capabilities.

▌ The elimination of COBOL lowered licensing and support costs.

▌ Creation of comprehensive system documentation, including a large test repository for reuse.

▌ Identification of a "back-to-standard" approach that would reduce the dependency on customization.

▌ The upgrade brought the utility back under the umbrella of Oracle product support.

▌ Optimization of the customer-facing processes improved customer experience.

▌ Upgrading the hardware platform improved security and data governance. Increased efficiency of gas and electricity billing systems.

▌ Reduced total cost of ownership (TCO) for the CC&B system and its associated applications

Upgrading the CC&B system opened a range of opportunities for the utility, including expanded self-service capabilities and offer customization, ushering in more effective ways of engaging customers.

For more information, please visit www.cognizant.com/cognizant-digital-business/digital-transformation-solutions.

About Cognizant

Cognizant (Nasdaq-100: CTSH) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 194 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us @Cognizant.

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