SRUC engaged with a range of power utilities worldwide to conduct a study on human resource incentives (HRI) that can be used to encourage employees to combat non-technical electricity losses. As a follow on to the study, SRUC designed an HRI program with Indian utility, JBVNL, to help the company engage its employees to meet its loss reduction targets.

**THE CHALLENGE**

While customer-facing and technical solutions to improve utility performance are well documented, there are few global assessments that explore the incentive programs utilities use to reward staff who demonstrate a clear contribution to loss reduction. This understanding could provide utilities a new avenue to address commercial losses on their networks. Critically:

- The various technical and commercial loss reduction initiatives in a utility need to be complemented with equivalent commitment and motivation from employees.
- Publicly owned power utilities in India have faced challenge in implementing incentive schemes due to lack of reliable baseline information / systems for monitoring achievements.

**APPROACH**

SRUC carried out the HRI study/pilot as follows:

- Selected an initial set of utilities and distributed questionnaire to 18 utilities around the world with different ownership structures, in various geographies, and under different regulatory regimes.
- Finalized the study, then presented and disseminated findings to USAID Energy Division and other donors.
- Using key findings from the study, conducted a selection process for an Indian utility with which to design a HRI program.
- Designed a program with JBVNL with several phases; work included a cost benefit analysis, detailed formulas for rewards, and an internal communications plan.

**RESULTS & FOLLOW-ON**

SRUC's engagement with utilities during execution of the HRI study resulted in the following key impacts and follow-on:

- Utility companies in India requested follow-on assistance from SRUC to understand the loss-reduction incentives discussed in the study in more depth and/or to host a pilot project to test some of the methodologies.
- The Board of JBVNL has approved a full adoption of the SRUC-designed HRI program.

“The report is quite comprehensive and offers cutting-edge perspectives on global trends in incentive schemes for utilities that will drive critical strategic deliverables like ATC and C reduction.” – Aik Alenkhe, Eko Distribution Company Plc. Nigeria

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