

OVERVIEW

#BetterTogether - Customer Voice @ Board

Date commenced: Feb 2020

Date completed: June 2021

The Opportunity: The voice of the customer needs to be amplified at a Board level to appropriately influence strategic direction

The Vision: Strategic direction of Energy Charter signatories demonstrates the voice of the customer has been listened to and appropriately considered

Collaborators: Led by the Chair of Powerlink Queensland and supported by CleanCo, Horizon Power and Stanwell Corporation.

Leads: Kathy Hirschfeld AM, Chair, Powerlink and Gerard Reilly, General Manager Communications, Customer & Engagement at Powerlink Queensland

Principle 1: We will put customers at the centre of our business and the energy system



IAP Recommendation

Recommendation 16 of the IAP Report 2019: Consider the voice and experience of the customer at the governance and strategic level of the signatory business – including in relation to board expertise and senior management advocacy.



Our Response

1) Developed a report outlining a suite of options to improve how the customer voice can be embedded at a Board level
2) Exchanged information and experiences on better practice examples of customer insights at a Board level.

This was achieved by:

- Collaborating with the [Australian Institute for Company Directors \(AICD\)](#) and [The Ethics Alliance](#)
- Surveying to all Energy Charter signatories on better practice examples
- Reviewing better practice examples from other industries and overseas
- Engagement with other organisations and board members who have better practice examples



Outcomes

[#BetterTogether - Customer Voice @ Board Resource for Company Directors](#) with better practice options for Energy Charter signatories to consider to ensure the customer voice is appropriately influencing the strategic decision-making and direction of our energy businesses.

Distribution of the Resource to directors across Australia in all sectors was also made possible through the Ethics Alliance of the Ethics Centre.



“As Energy Charter signatories we are committed to improving customer outcomes for all Australians in line with our vision “together, deliver energy for a better Australia”. Boards have a vital role to play in ensuring the customer voice is appropriately influencing the strategic decision-making and direction of our energy businesses. Across the Energy Charter signatories, boards are driving better-practice in this regard.

I trust my fellow directors will find this resource valuable in helping to drive continual improvement in boardrooms across energy sector. I also look forward to hearing about the conversations it will engender.”

– Kathy Hirschfeld Am, Chair, Powerlink Queensland

This resource is based on the premise that a business wishes to embrace the customer voice at a board level and is looking for practical insights as to how this may be done. This may sit within a broader strategy and approach to stakeholder engagement.

This resource is grouped into the following sections:

1. Board Composition & Training
2. Board meetings
3. Decision-making
4. Customer engagement
5. Risk & assurance
6. Customer advocacy structures

#BETTER TOGETHER

About the Customer Voice @ Board Level - Resource for Company Directors

The Customer Voice @ Board Level - Resource for Company Directors resource was developed as a collaboration between Energy Charter signatories, customer representatives and advocates and the Australian Institute of Company Directors (AICD).

As Energy Charter signatories have a range of different customer profiles, ownership and board structures there no one 'best way' to amplify the customer voice, so a flexible and fit-for-purpose approach needs to be taken by individual boards.

This resource provides a range of options and better practice insights for consideration. It aims to augment the resource of options already available to directors. Importantly it also builds upon the recent work of the AICD in its [Elevating stakeholder voices to the board: A guide to effective governance](#).

Amplifying the voice of the customer at a board level generates a range of benefits including:

1. Driving better shareholder returns, particularly over the longer-term
2. Alignment with corporate strategy
3. Improved reputation and social licence
4. Increased diversity to improve decision-making
5. Operational efficiencies

This resource will be updated by a working group of Energy Charter signatories on a bi-annual basis to ensure the latest trends and better practice examples are incorporated and made available to board members.

[Customer Voice @ Board webpage](#)



“KPMG believes directors see the need to focus on improving outcomes for employee and customer satisfaction over short term financial performance and shareholder returns. The critical issues in running a business are the customers. Without customer satisfaction you quickly lose the trust of the public and your employees. From there, it’s a hard road back.” - Stephanie Bradley, Partner, KPMG



Collaboration insights

Key collaboration insights of this #BT include:

- Strategic decision making is improved when Boards have visibility of customer data, trends, issues and opportunities.
- There is no one 'right way' to amplify the voice of the customer. As an industry we need to learn and share experiences to drive better practice.
- Ongoing reporting through Energy Charter Disclosure Statements will provide further collaboration and learning opportunities.



Challenges

Challenges of this #BT include:

- The ability to clearly communicate back to customers about how their input and priorities are influencing strategic decision-making.
- The capability of energy businesses to stay aligned with changing customer trends as the energy industry is going through a rapid transformation.
- The need to have a tailored approach, as most energy businesses have a wide range of customer segments and can't be viewed as a single group.



Artefacts

[Customer Voice @ Board level - Resource for Company Directors](#)

Citations

Energy Charter Customer Voice @ Board Case Study cited in [AICD - 'Elevating stakeholder voices to the board: A guide to effective governance'](#)



Future Recommendations

Energy Charter signatories are encouraged to continue to disclose on how they are hearing, understanding and acting upon the customer voice at a board level through their annual disclosures under Principle 1 of the Energy Charter, and to share best practice across businesses to ensure continuous improvement in the sector.



The Energy Charter is a national CEO-led collaboration that supports the energy sector towards a customer-centric future.

The #BetterTogether initiatives leverage high impact areas for meaningful change using the architecture of the Energy Charter to deliver better outcomes for customers.

To bring the five Energy Charter principles to life, signatories co-design [#BetterTogether initiatives](#) through an [innovation framework](#) of 'ideate, incubate and accelerate' to build capacity for collaboration across the energy sector.

For further information on this #BetterTogether initiative contact director@theenergycharter.com.au