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Power generators are energizing trust

Building trust is key to business transformations

The environment and the impact that carbon emissions are having on climate change is driving an increasing need for power utilities to deliver clean, cost efficient and sustainable electricity. This stated intent must be accompanied by appropriate action to maintain and continuously strengthen trust with key stakeholders. The message is clear: trust can take years to build and seconds to break.

That's always important to remember, especially when you're embarking on a major business transformation, which many power and utility companies are. This change might impact trust in the organization for both its external and internal stakeholders.

Part of creating trust involves eliminating gaps between what's promised and what's delivered.

Much of what we see is placing safety first, generating reliable energy, protecting the environment (with a robust climate action plan), positively impacting communities, and giving back to society.

Organizations need to ask themselves: how do we enhance trust? What are the strategic priorities? How can we safeguard the trust of all our stakeholders during a transformation? What are the key drivers of trust and which stakeholders are impacted by these drivers?

From a safety standpoint, a single misstep could cause harm for generations.

Complying with regulatory requirements isn't enough. Trust can grow when you go beyond what's mandated.

During a business transformation, it's also vital to be mindful of the impact on the environment and communities. Increasing community understanding and engagement is essential, as is transparency—speaking openly and honestly with ecosystem participants around any areas of concern.

Building trust with Indigenous communities

Alongside the activation of social values and community outcomes, power companies have prioritized engagement with Indigenous peoples. Several Indigenous communities are key partners. How can the organization measure its results with respect to building trust with these stakeholders?

Deloitte's Indigenous practice has built a benchmarking tool that applies a cultural integrity maturity matrix. This provides organizations with an independent perspective on how they're meeting their promises to Indigenous peoples. Going further, it helps them create new metrics for better relationships and outcomes.

During a business transformation, trust could be nurtured and measured in many ways. Among them:

- Carrying out all activities with an intent to create mutually beneficial relationships and partnerships with Indigenous communities

- Keeping Indigenous communities top of mind for employment and business-contracting opportunities

- Respecting languages, customs, cultural institutions, and rights of Indigenous communities at all times

- Establishing flexible and pragmatic agreements (e.g., an exploration agreement or an Indigenous land-use agreement) to suit the community's circumstances

Building respectful relationships is one example of how trust can elevate a business and connect it with the common good, establishing in the process a foundational step for the success of any business transformation.

Thinking differently about trust

Overall, we see six drivers of trust: risk management, compliance, environmental and social governance, workforce experience, conduct, and authentic and resilient leadership.

How can you start thinking about and evaluating trust differently? By exploring fundamental questions around:

Framework
What is trust in the context of the organization? How do you frame it around the four dimensions of trust (physical, emotional, financial, and digital)? How can you be intentional about building and maintaining trust among your workforce, customers, partners, and communities?

Ecosystem participants
Who matters most as the organization becomes intentional about building trust? What are their key concerns? How can you balance their needs?

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Dimensions

Which dimensions of trust are most important across ecosystem participants, businesses, and workstreams? Do they differ by participant?

Action

Is the organization configured to proactively build trust? Is it making the right strategic choices to do so, for business and ecosystem participants?

To understand the four dimensions of trust from the various ecosystem participant perspectives, organizations must contemplate key considerations for the business based on each dimension.

Around the **physical** dimension, for example, employees want to know that their working conditions and workplace policies are commensurate with workplace safety guidelines. The public, meanwhile, is focused on whether the organization is using eco-friendly practices and how it's minimizing accidents/incidents, whether it is maintaining, decommissioning, or building new power generating facilities.

Owners want to focus on whether hiring practices and physical safety measures attract top talent. Partners want to feel assured the company is taking all necessary precautions to protect all who visit or work in its facilities. And, importantly, regulators want to know how the organization is fulfilling all its physical safety duties, both in general and as part of a specific business change.

By exploring the **emotional, financial, and digital** dimensions of trust the same way, organizations are better positioned to understand how their ecosystem plays a critical role in fostering trust.

In doing so, organizations will emerge with insight on the trust consequences of their planned business evolution and learn how to ensure that its delivery meets—or exceeds—expectations. ○

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