



Environmental responsibility and business success. *Growing together.*

## Communicating Difficult Topics

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# Key topics

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- Emerging criticality of stakeholder communications for utilities
- Best practices for positive stakeholder communication about challenging topics
- Examples, discussion, Q&A



# SymbioSus Sustainability Consulting

- **Mission:** To help businesses increase profits and competitive advantage by integrating environmental sustainability actions with core business operations
  - **Reduce** risk, cost, energy/resource use, waste, and environmental footprint
  - **Increase** resource efficiency, customer, employee, and community satisfaction, and profits
- Help organizations assess, plan, implement, measure, and communicate improvements that benefit:
  - People, planet, profit
- Wide range of companies and industries
- Scale projects to specific client needs



# Opening thought

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***“The test of a first-rate intelligence is the ability to hold two opposing ideas in the mind at the same time, and still retain the ability to function.”***

***F. Scott Fitzgerald***



It's been a tough few years for traditional energy sources . . .

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It's been a tough few years for traditional energy sources . . .



Photo credit: Justin E. Stumberg/U.S. Navy via Getty Images



It's been a tough few years for traditional energy sources . . .



Photo credit: Mic Stolz / Flickr





It's been a tough few years for traditional energy sources . . .



Photo credit: [www.ecology.com](http://www.ecology.com)





It's been a tough few years for traditional energy sources . . .



Photo credit: [www.friendsofcoalminers.net](http://www.friendsofcoalminers.net)



It's been a tough few years for traditional energy sources . . .



Photo credit: [www.wilderutopia.com](http://www.wilderutopia.com)



It's been a tough few years for traditional energy sources . . .

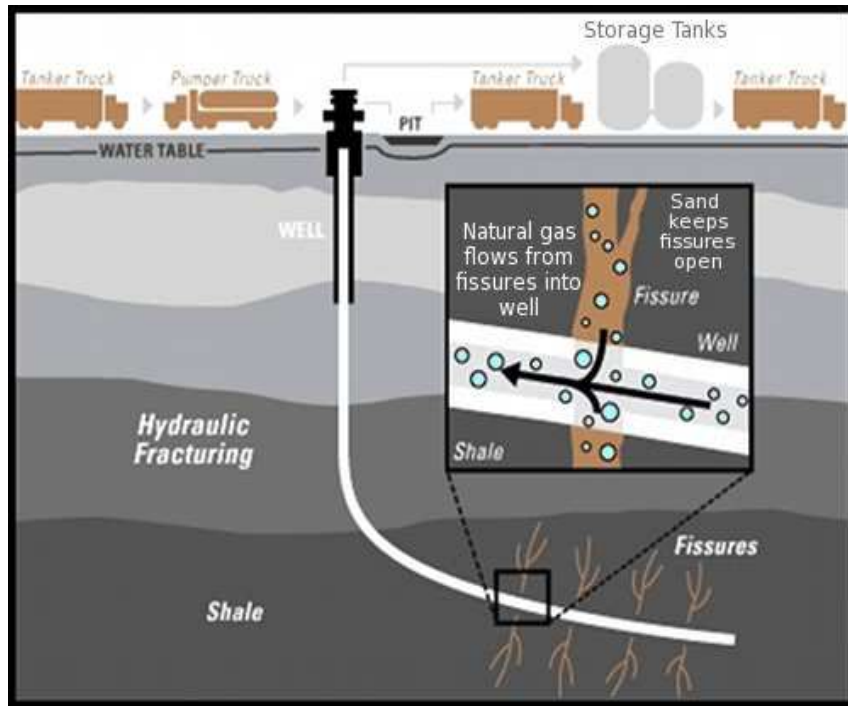
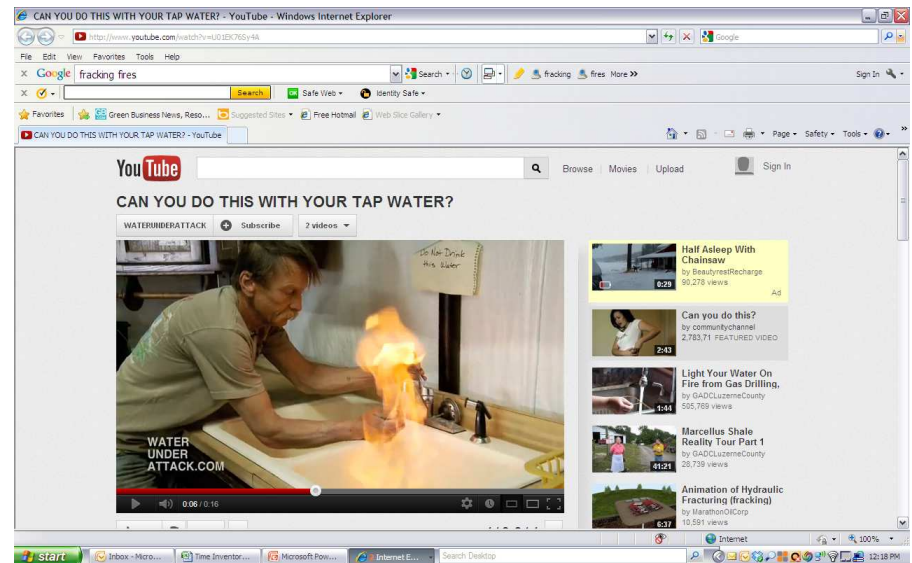


Diagram credit: Popular Logistics



It's been a tough few years for traditional energy sources . . .



Photo credit: [www.framingham.com](http://www.framingham.com)





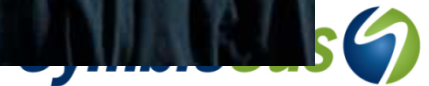
It's been a tough few years for traditional energy sources . . .



Photo credit: Todd Numan, The Daily Green



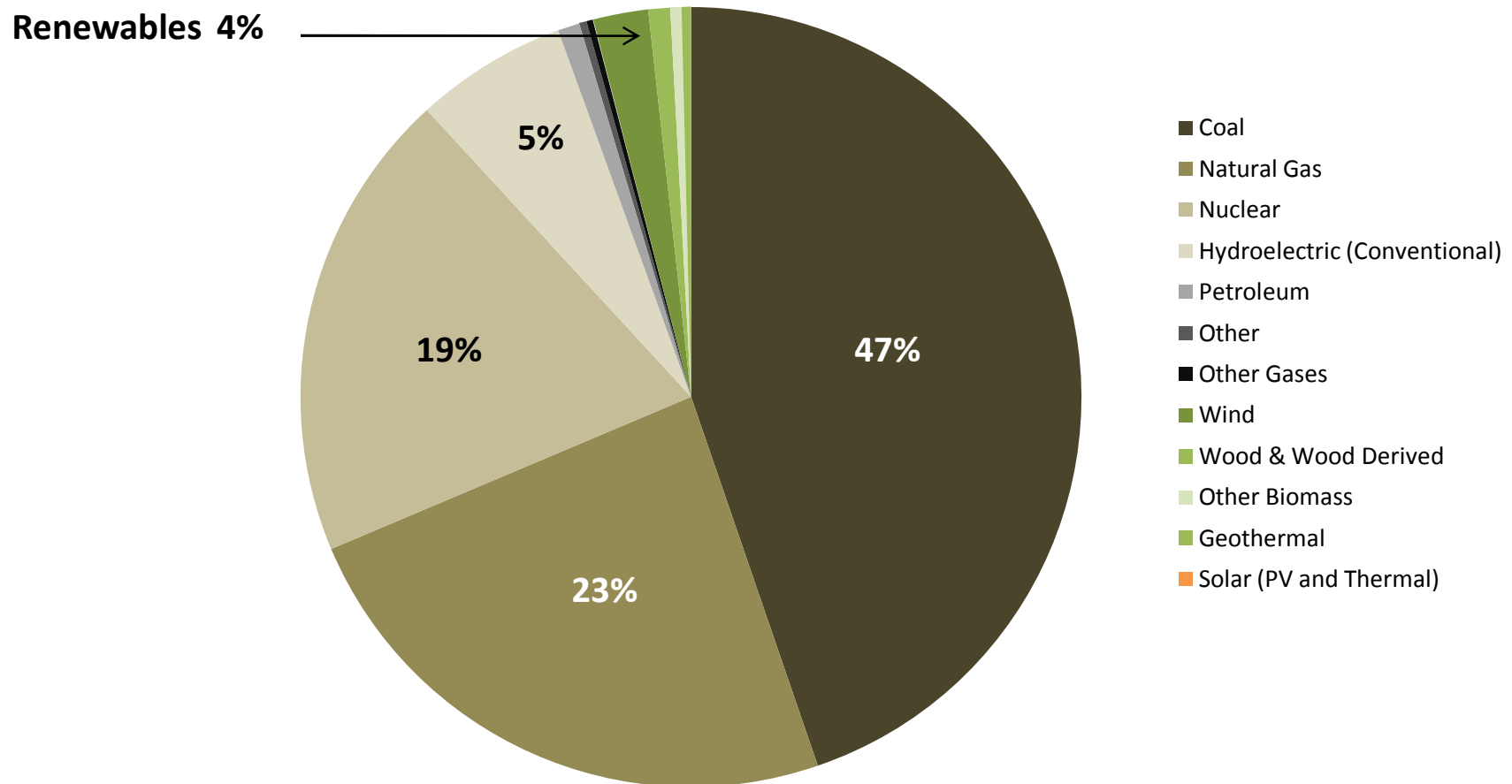
On the other hand . . .





# Renewables won't meet short term needs

U.S. Electricity Generation by Fuel Source, 2010



U.S. Energy Information Administration (2012). *Electric Power Annual 2011*. Retrieved August 9, 2012, from <http://www.eia.gov/electricity/annual/>



# Renewables also have some challenges of their own . . .



Photo credit: [www.automobilemag.com](http://www.automobilemag.com)



So, where does that leave a utility?

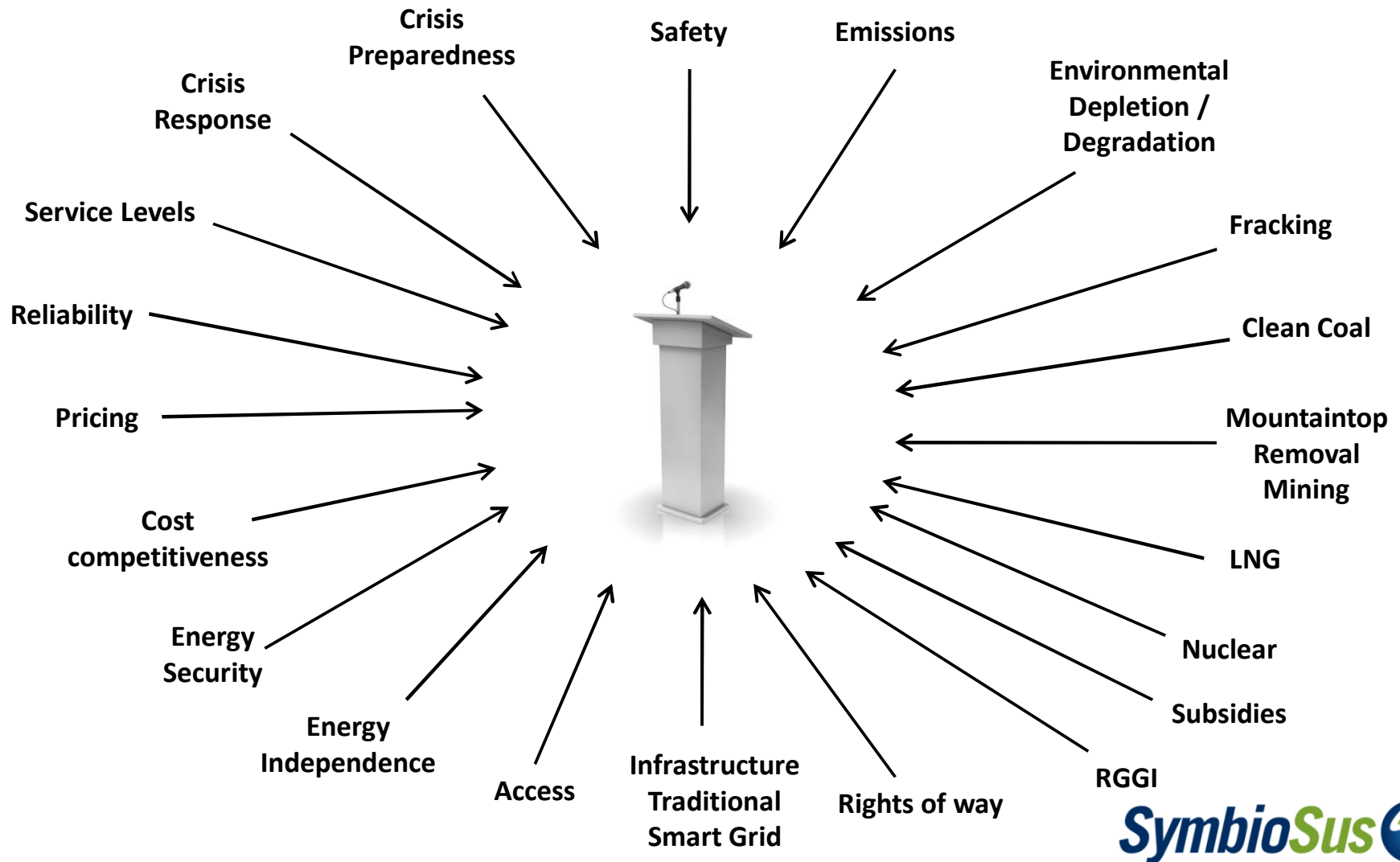
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The issues aren't as black and white as they seem

Many 'opposing ideas' . . .



# Utilities face many challenging issues



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# Best practices for communicating with stakeholders



# Identify your key stakeholders

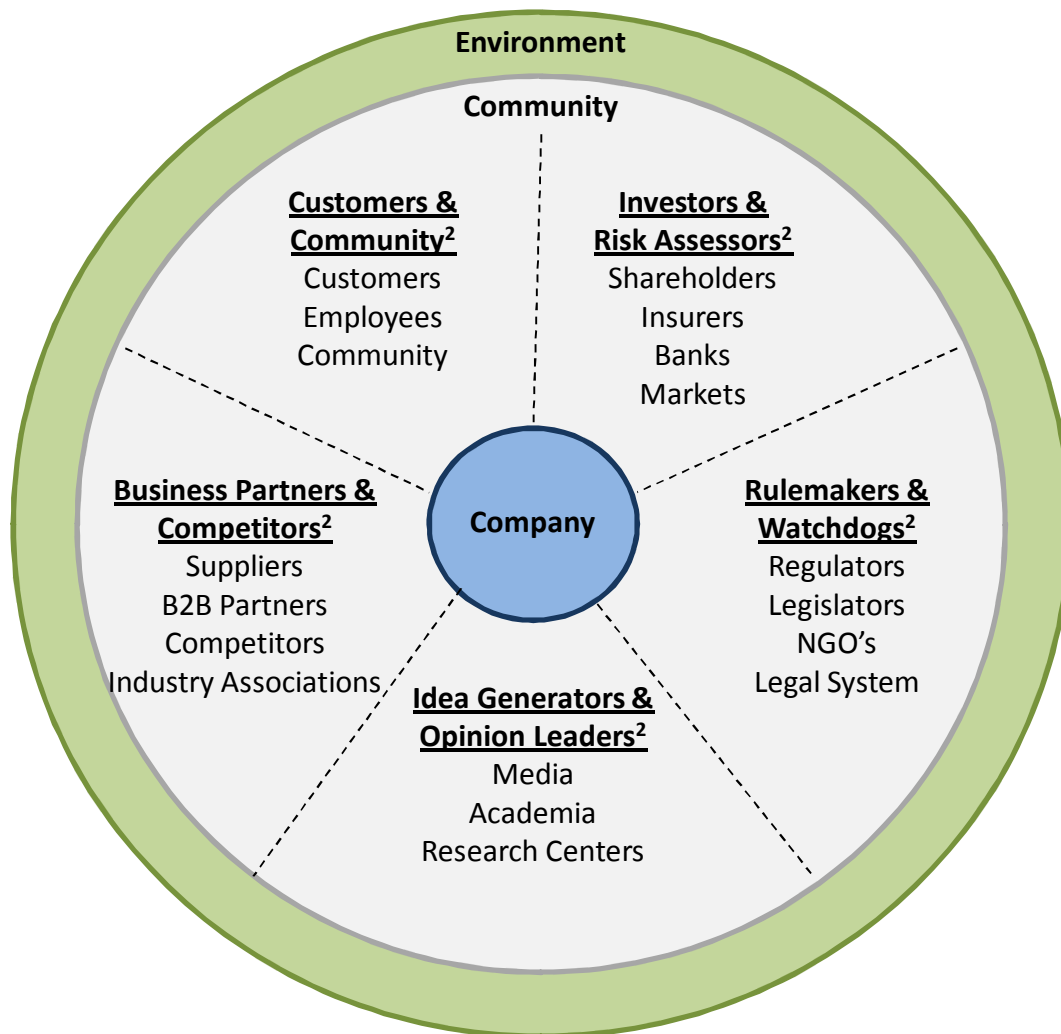


- The company is not separate from the community and the environment – it operates within them
- Increasing awareness of the influence and expectations of multiple stakeholders is critical

<sup>2</sup>Esty, D. C., & Winston, A. S. (2006). *Green to gold: How smart companies use environmental strategy to innovate, create value, and build competitive advantage*. New Haven, CT: Yale University Press.



# Understand your key stakeholders



- Know your audience
  - Motivations
  - Perceptions
  - Fears, concerns
  - Preferred communication method & style

<sup>2</sup>Esty, D. C., & Winston, A. S. (2006). *Green to gold: How smart companies use environmental strategy to innovate, create value, and build competitive advantage*. New Haven, CT: Yale University Press.

# The rapidly-changing external stakeholder communication environment

## *New Stakeholder Expectations*

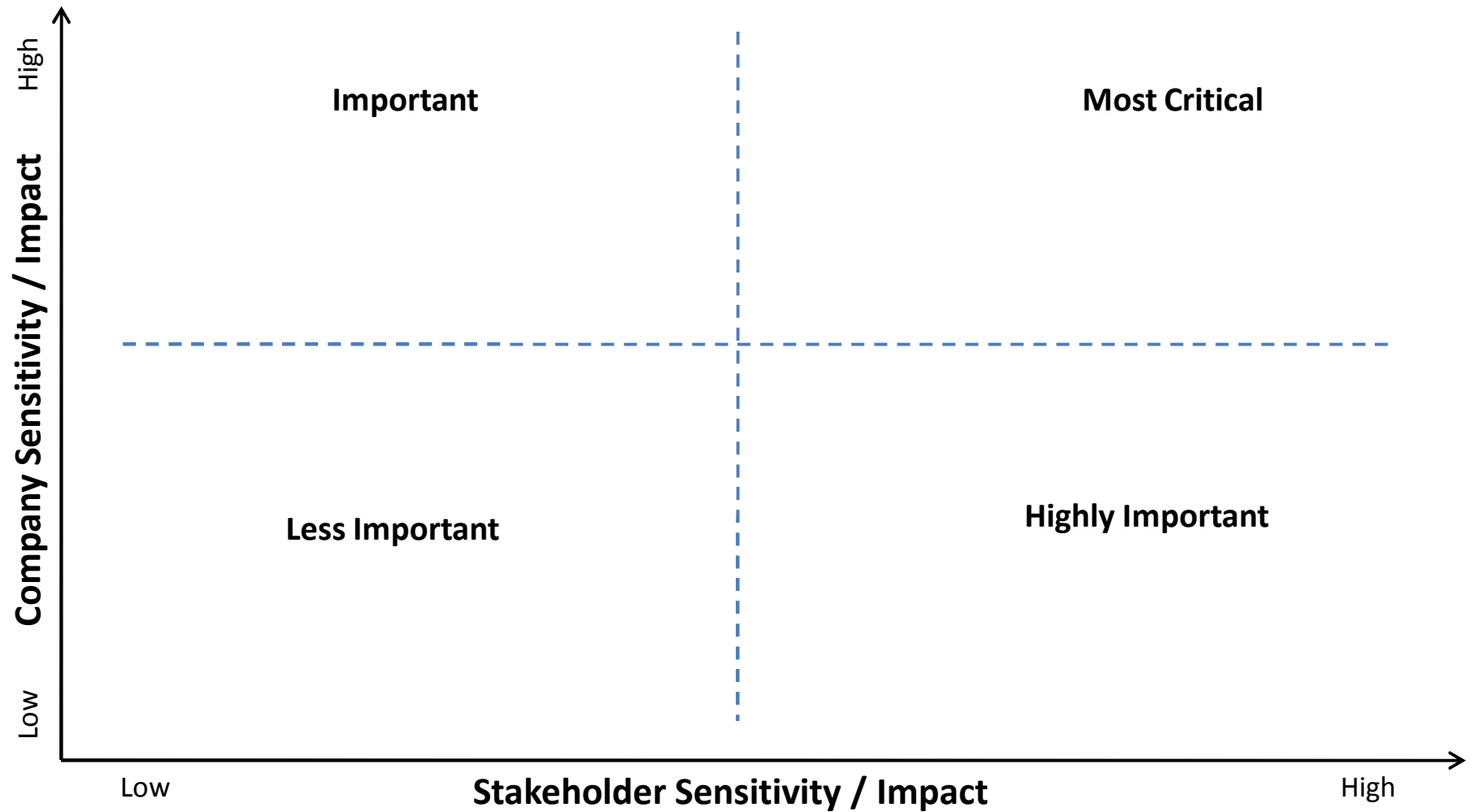
- **Open, transparent communications** – both product and process
- **“More facts, less fluff”** – facts, not platitudes
- **Authenticity & accountability** – take ownership & show results
- **Relationship** – with company, with other users or recommenders
- **More proactive leadership** - not just reaction & response
- **New media savvy** - Ability to adopt to new message expectations and new media for delivering them

## *New Stakeholder Actions*

- **More likely to be more demanding**
- **More likely to switch quickly if expectations not met**
- **More likely to share (good or bad) with others** – social media has made this much easier
- **More likely to trust someone they have a relationship with (person or company) than an unsubstantiated claim**
- **More industry self-policing (competitors)**



# Identify your most material issues



# *Understand* your most material issues

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- Key fundamentals, facts
- Complexities
- All key perspectives
  - “Sides of the story”
  - Areas of sensitivity
- Relevant options, solutions, resolutions, actions



# Best-in-class stakeholder communication is . . .

## *Proactive*

- Understand issues before you need to
- Communicate before you need to
- Early, clearly, and often – vision, mission, commitments, actions

## *Open*

- Open, transparent communication
- Stakeholders tend to reward open communication, punish secrecy
- Acknowledge if don't have all the answers

## *Factual*

- Stakeholders are tiring of & tuning out unsubstantiated claims
- But don't need every scientific factoid, either

## *Authentic*

- Demonstrate results via actions, not just words/claims
- Demonstrate clear understanding that it is a pathway of continuous improvement; clear commitment to improvement



# Best-in-class stakeholder communication is . . .

## *Balanced*

- Demonstrate understanding of key sides of the issue
- Proper combination of assertion/promotion and modesty/humility
- Fair presentation of successes as well as what still needs to be done

## *Realistic*

- Don't overstate positions or commitments; don't over-commit
- Address most likely scenarios, solutions, actions

## *Empathetic*

- "Seek first to understand, then to be understood"
- Feel, Felt, Found

## *Inclusive*

- Find mutual agreement – "We're all in this together"
- Avoid / minimize contention – disagree agreeably
- Communicate INTERNALLY as well as EXTERNALLY





# Best-in-class stakeholder communication is . . .

## *Responsive*

- Timely response
- Address issue(s) presented; relevant
- Sufficient information to address issue - within appropriate limits

## *Appropriate*

- To the nature & severity of the issue / situation
- To the audience – proper medium, message, content, tone
- To the level of information available

## *Consistent*

- Across organization and over time
- If position or response changes, share rationale
- Internal communication is key to consistency

## *Organized*

- In terms of how communication will be handled generally
- In individual communication encounters



# Make optimal use of the right media for your message



## Electronic

Website  
E-newsletter  
Blog  
Facebook company page  
LinkedIn company page  
Webinars  
Webchats



## In-person

Briefings  
Public meetings  
Open houses  
Tours  
Stakeholder roundtables  
Focus Groups  
Conferences  
Seminars  
Community Participation  
Community Service



## Traditional

Public Relations  
Press (Newspaper, T.V., Radio)  
Ads (Newspaper, T.V., Radio)  
Print newsletter  
Mailings



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# Examples & Discussion



# Key takeaways

- It is more critical than ever to be prepared to communicate about challenging issues in the energy industry.
- Success comes from:
  1. Helping stakeholders see and process opposing sides of issues
  2. *Understanding* your most vital stakeholders
  3. *Understanding* your most material issues
  4. Utilizing best practices - being:

Proactive	Open	Factual	Authentic
Balanced	Realistic	Empathetic	Inclusive
Responsive	Appropriate	Consistent	Organized
- The organizations that are most successful at this will have an advantage



Thank you very much!

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## Questions & discussion

Follow-up questions:

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