

# Redefining business success in a changing world

## Managing stakeholders

*A snapshot of  
major findings*

CEOs know the landscape has changed dramatically and continues to do so. That's simply part and parcel of doing business today. They understand they have to be aware of, and effectively manage, a much broader group of stakeholders than their predecessors ever had to contend with.

Mobile connectivity and social media have not only given people more say when it comes to what and how they like to receive goods or services or how they like to work, but it's also given them access to much more information, including that of organisations, their work practices and partners, and the impact they have more broadly. Technology is unequivocally the number one tool CEOs are using to assess and deliver on these changing customer and stakeholder needs.

Being responsive is key to CEOs building trust – which they know is something that will be fundamental to their long-term viability. Communicating on strategy and purpose is something that CEOs in Australia acknowledge they could do better, and would help trust efforts. But responding to expectations comes at a cost. There's a conflict between stakeholders' interests versus financial performance expectations from investors that CEOs have to balance.

# Key findings on managing stakeholders



believe they're expected to address wider stakeholder needs



The groups that have the highest impact on organisational strategy:



Customers and clients  
**92%**



Government and regulators  
**73%**



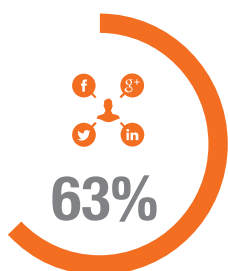
Industry competitors and peers  
**69%**

67% of CEOs see Data and Analytics as delivering the greatest return in terms of engagement with customers and stakeholders



Data and Analytics

Followed by



Social media



CRM systems



wider stakeholders helps profitability

Over half believe creating value for





# 8 out of 10 CEOs

Acknowledge top talent want to work for companies with social values that align to their own

## CEO perspectives on managing stakeholders

“

*I think many businesses find it challenging to communicate a fundamental purpose and way that they're improving society, and that's because in many businesses the value chain is highly fragmented.”*

Tim Fung, Co-Founder & CEO,  
Airtasker



“

*In terms of which stakeholder is more influential, you can't pick one. They are all dependent on each other and you ignore one at your peril.”*

Susan Lloyd-Hurwitz,  
CEO & Managing Director,  
Mirvac



“

*I think transparency is fundamental in everything that you do.”*

Elmer Funke Kupper, Managing  
Director & CEO, ASX



“

*We've been around for 100 years and want to be around for a lot longer. Therefore we always say to people, do the right thing and fall on the side of doing the right thing. If there's a short-term hit to profit, we think over the long run, we'll be better off.”*

Richard Goyder, Managing  
Director, Wesfarmers



“

*In five to ten years time, societal expectations will become the heart of your strategy.”*

Nicole Sheffield, CEO,  
NewsLifeMedia



# 33%

of CEOs believe investors are seeking ethical investments

Compared with

# 59%

that are focused on income and capital growth



# 16%

are focused primarily on financial matters in their reporting



Versus



# 80%

that report on financial and non-financial matters

## Questions CEOs should be asking about addressing greater expectations



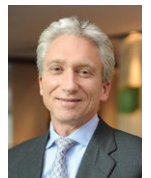
Has your organisation undertaken scenario modelling or other initiatives to better understand how global trends like technological advances, demographic changes and global economic shifts are driving customer expectations today and tomorrow?

How is your organisation building trust by better understanding stakeholders' views?

As customers, employees and other stakeholders increasingly care about what companies stand for, how are you demonstrating your organisation's purpose and values?

For a deeper conversation, please contact

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