Designing a sustainable future: Energy Academy looks to Assurity Consulting for funding model validation



An organisation which seeks to guide New Zealand's energy sector towards a brighter and more sustainable future has looked to Assurity Consulting for concept validation in the creation of the funding model upon which its success rests. Through an immersive engagement, Assurity Consulting has taken a design-led approach to understanding the challenges faced by the energy sector as a whole, then moving on to evaluate and validate a prototype model similar to that of the KiwiSaver scheme.

Energy Academy was born from power company Orion Group's commitment to 'Powering a Cleaner, Brighter Future'. The organisation has a vision of creating a sustainable energy future owned by New Zealanders, with an industry adaptable to the capabilities needed, and being a place where people fulfil their purpose. The organisation's 202 establishment was driven by a design thinking methodology which involved input and engagement with both the energy and education sectors. The Energy Academy team runs a series of experiments to lead the creation of a new future for capability development in the energy sector, ensuring its long-term sustainability.





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Situation

The highly fragmented New Zealand energy sector faces a major secular challenge surrounding skills and the attraction of new and different talent into its ranks. While the country is in the fortunate position of generating most of its energy from 'clean' sources, transformation is underway with mounting pressure for renewables to replace fossil fuel alternatives.

The increased use of multiple forms of technology and the ever-present threat of disruption from new and innovative entrants combine with an ageing workforce and the exit of institutional knowledge as people reach retirement age.

Energy Academy Lead Deanna Anderson says the sector faces far reaching issues. "We need to decarbonise. We are highly fragmented and don't tend to collaborate very well. And globally, energy is transforming and being disrupted, with the skills necessary today vastly different to those which will be needed in the future."

With the Fourth Industrial Revolution bringing automation of traditional manufacturing and industrial practices using modern smart technology underway and a workforce seeking more purpose, she adds that the energy industry is designed for stability but operates in a very unstable world.

It is this that the Energy Academy seeks to address.

"Energy Academy is cultivating a movement of diverse thinkers and activators to harness Energy's potential to create a more prosperous, equitable and sustainable New Zealand. We want energy innovation to be the story all New Zealanders want to be a part of. The future will require continual upskilling and reskilling to keep up with constant change and this will not only come with a higher price tag for capability development, we also need to ensure our workers have the agency to shift and change so the industry can adapt."

Solution

Assurity Consulting rapidly appreciated the complexity of the task, which at its core is about gaining consensus from the multiple players in the industry.

Anderson says Energy Academy leveraged the 2020 lockdown to bring over 35 organisations together for some design thinking workshops that identified common challenges in the sector and began to ideate new futures. "This KiwiSaver concept came from those online workshops. We then followed this up with a workshop dedicated to the idea which was then passed through a stress test with 170 industry employees. We see huge potential from here given that 100% of people under 50 liked the concept. Assurity then conducted empathy interview with 13 industry leaders to stress test the model even further."

This delivered 'stress testing validation' of the KiwiSaver concept with employees, while simultaneously promoting the concept with employers.





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Results

The value of an independent assessment and validation of the funding model is a broad elevation of the necessity for the Energy Academy and the crucial role it can play in guiding the electricity industry towards a sustainable future, confirms Anderson.

"The work Assurity has done has set the scene and provided guidance on why the funding model should exist and set the scene for what the next phase of the product should look like," she says.

Beyond validation of the KiwiSaver prototype, Anderson says 'extreme' value has accrued to the Energy Academy through Assurity's demonstration of the process it has applied in engaging people from across the fragmented energy industry to gain consensus, buy-in and participation. "This has taken a major weight off our shoulders, with this project directly, and for future initiatives."

Anderson therefore has praise for the Assurity team's willingness to share knowledge and capability with her own teams.

"This is a consulting firm which engages with gusto, enthusiasm and confidence. They quickly became a part of our organisation, to the extent that we didn't feel like a 'client', but instead were working shoulder to shoulder. There's a high level of commitment and a raw honesty where we were constantly challenged in the right ways."

The next steps for the Energy Academy where its funding model is concerned, relates Anderson, is taking the initial prototype to all representatives of the sector (and potential contributors to the fund). "Through Assurity's outreach with those working in the sector, we know employees are on board. Now, further work is needed to get employer buy in to assure the future of the industry," she concludes.



Deanna Anderson Energy Academy Lead





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At a glance

ENERGY ACADEMY

Company: Energy Academy Industry: Energy

Situation:

• The highly fragmented New Zealand energy sector faces a major secular challenge surrounding the future of skills, and its ability to cope with disruptions on the horizon.

Approach:

• Energy Academy is cultivating a movement of diverse thinkers and activators to harness Energy's potential to create a more prosperous, equitable and sustainable New Zealand. The organisation engaged Assurity Consulting and leveraged the 2020 lockdown to bring over 35 organisations together for some design thinking workshops that identified common challenges in the sector and began to ideate new futures.

Outcomes achieved:

- The new funding model concept came from those online workshops. The team then followed this up with a workshop dedicated to the idea which was then passed through a stress test with 170 industry employees.
- Assurity then conducted empathy interview with 13 industry leaders to stress test the model even further to gain consensus, buy-in and participation.

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