

our business planning process



Bird's eye view: a crew works against a Derwent River backdrop at Lindisfarne.

Aurora's strategic planning process culminates in the annual preparation of a three-year Business Plan, which provides the Board and management team with a good understanding of the market in which we operate and the challenges ahead. The current Business Plan covers the period 2009/10 – 2011/12.

Our strategy statement is:

'By 2010 be recognised as the company that contributes the most to Tasmania's economic value and improved standard of living.

Value will be delivered by using the synergies of our mutually dependent businesses and our brand, ideas, experience and intellectual property to integrate our infrastructure and technology, utilising and building on our unique physical and retail channels, our social

connection to the community and strong links to customers in the last mile.

We will provide complementary customer solutions in energy, telecommunications and utility infrastructure services to Tasmanian homes and businesses, and to niche markets outside Tasmania based on demonstration of expertise in our core markets.'

This Strategy Statement provides the high-level framework that guides Aurora's future direction.

Our key strategic objectives are:

- Realise the full potential of the 'core business' in delivering appropriate outcomes to our shareholders, customers and community;
- Invest in our infrastructure to support economic growth and emerging customer requirements;
- Position the business in a competitive market;
- Manage the risks to the business; and
- Pursue complementary business opportunities leveraging off core assets and competencies.

We use a balanced scorecard methodology to measure key performance indicators for the business as a whole and for each division. The overall responsibility for the Balanced Scorecard lies with our Commercial Services Division. The Aurora Executive Team reviews each divisional scorecard to ensure they reflect our overall strategic objectives and the activities agreed as part of the Strategic Plan.

Business-wide measures are linked to divisional, group and individual performance to recognise every level of contribution to the achievement of our strategic objectives.

A key which explains our Balanced Scorecard indicators appears on pages 144-145.

It should be noted that the targets for 2008/2009 were set for Aurora as a single entity. The Balanced Scorecard has been reviewed for 2009/2010 and new targets have been set at a Group level, given the developments of 2008/2009.