



Morning Open Space Interactive Session B - Employees October 20, 2008, 11am

Speakers:

Neil Crawford, Director and Leader of the Best Employers in Canada Study, Hewitt Associates
Bob Willard, Author of The Sustainability Advantage and The Next Sustainability Wave
Marty Janowitz, Vice President, Sustainability, Jacques Whitford
Martha McIver, Vice President, Human Resources, HP Canada

Session Speaker: Neil Crawford, Director and Leader of the Best Employers in Canada Study, Hewitt Associates

Presentation: http://cbsr.ca/cbsrftp/Summit_Presentations/Summit - Hewitt.pdf

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- The 'perfect storm' encompasses three ideas:
 1. Labour shortage;
 2. Skills shortage: there is too much skills mismatching in organizations, we do not have enough people doing the work they are best suited for; and
 3. Greater workforce diversity: we are just beginning to realize our diversity as a country.

- The Top 50 Employers list is not based solely on company practices, but rather focuses on the employees' comprehensive opinion of the company. The core measure is employee engagement.

- Engaged employees exhibit the following key behaviours:
 1. Say – consistently speak positively about organization to co-workers.
 2. Stay – have an intense desire to continue working for the company.
 3. Strive – exert extra effort and engage in behaviours that contribute to the success of the organization.

- There is a 20-90% range of employee engagement across Canada.
- High engagement organizations attract more people to the organization and experience lower turnover.
- There is a better talent pool for recruitment in those companies that are on the Top 50 list.
- Where engagement is high, turnover is low.

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- Generational differences narrow as engagement rises.
- New generation of employees, 'Millennials', are not happy with today's employment construct which is heavily structured around the 'Boomers' and 'Generation X' categories.
- Engagement is linked to positive business.
- Best employers outperform other companies in related fields in CSR because they are value-based.
- Key drivers of engagement include, but are not limited to:
 - Organizational reputation
 - People / HR practice
 - Ethics and Integrity

Break-out Discussion [Neil Crawford]

How do you move towards engagement?

Survey results are one means of measurement; however, focus groups are very useful.

Once this information is collected, what does the organization do with it?

It is important to note the following trends:

- **Low Engagement Companies** demonstrate less than 45% engagement.
 - Low engagement companies are low at all levels.
 - Senior leaders are disconnected and often have very different views on various issues and organizational processes.
 - There is a pressing need to get these senior leaders engaged, involved and committed to building engagement throughout the organization.
 - When management engagement levels are low, often they are not effective at career conversations, not good at rewarding.
- **Moderate Engagement Companies** demonstrate 45% - 65% engagement.
 - Moderate engagement companies provide the basics: benefits, pay and regular raises, health and safety.
- **Best Engagement Companies** demonstrate 65%+ engagement.
 - These companies go above and beyond the basics, are proactive in the workplace and the community, and have senior leader commitment to encouraging, educating and rewarding employees at all levels throughout the organization.
- Some notable differences in employee engagement across industries:
 - Public Sector – approximately 53%
 - Food Sector – approximately 53%

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Pharmaceuticals – approximately 77%

Financial / Insurance – approximately 67%

Innovative engagement programs: What works?

A program needs to be unique to the organization, and needs to be communicated effectively

How do you keep engagement a part of everything in the company?

- In high engagement companies the employees give good direction and make their expectations well known.
- Do not make management accountable for things they cannot control.
- Senior leaders need to establish programs that encourage and support employees to do, for example, volunteer work in their community.
- The bottom line is that it needs to be customized and cater to a company's work environment, culture and work load.
- Must be a realistic program with attainable goals given the above noted conditions.

Approximately 12% - 15% of companies are stuck in a low engagement category. How do we make progress?

- Intent: leaders don't stay the course and fail to keep their commitment to engagement.
- Keep engaged: companies that look to the benefits and cost savings gained from the reduction or elimination of programs, and do not consider the probable loss of productivity take a step away from engagement.

Engaged organizations weigh the cost of both, and may not reduce or eliminate programs and/or benefits that keep employees engaged as they recognize the probability for greater losses.

High engagement companies look for alternatives and engage employees to achieve solutions.

- High engagement needs to become a way of doing business.
- Engagement and sustainability are behavioural and are tough to measure.
- CSR/ sustainability/ environment focus can be used as an entry point for engagement improvement opportunities.

Engaging employees to improve employee engagement levels within the organization

- In low engagement: address the management level because they are positioned between the senior executives and the employees, with the ability to tie the two together.
- Employers are often off the mark. Decision makers are often wrong 50% of the time when it comes to employees at various levels within the organization.
- Work-life balance: this is a driver of engagement in certain situations.

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- There is no silver bullet that will increase employee engagement in CSR; it needs to be customized to the environment in which we work.

Bob Willard

Presentation:

http://www.cbsr.ca/cbsrftp/Summit_Presentations/Bob Willard - CBSR Summit.pdf

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Bob Willard began the session with a presentation on quantifying the benefits of employee engagement around sustainability.

For large organizations, engagement can be very difficult. How do you reconcile the need for professional development with productivity (loss from job switching, etc.)?

- In Calgary there is such a work shortage that we have had to redesign programs that take employees from all over our national operations and putting them in different areas (departments and locations) . It is something that we have to do, but it also provides people with a chance to work in other areas and develop new professional skills.
- Formally, some companies have mobility programs (for rotation) and informally we make sure that our managers are always communicating with people and identifying skills, personal interests, etc.
- At our company [large retailer], individuals within the company develop their own personal development program and management follows up with things like job shadowing
- Mentoring is another way for more senior employees to get engaged (it's really about changing the environment they work in). It also puts the onus on the (senior) individual that wants to shift his/her career to finding their replacement.

Are employee surveys the most effective way to measure gain/improvement?

- There are a lot of metrics that are missing in employees surveys. You have to make sure the questions have the proper wording.

Should CSR be a position in a company? Should it be an office? If so, where/how should it be located in the company?

Suggestions:

- Dual reporting model (to CEO and to the board)
- The last place I would put it is: Communications and HR
- The best place to have it is at the front end of the organization (linked to strategy)

Our company [large oil & gas company] doesn't have a department – but I hold a lot of different responsibilities linked to CSR as the operations manager. We create linkages in all aspects of our business.

- In terms of language, I see CSR as a communications thing, where as sustainable development (SD) is a strategy.

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Marty Janowitz, Jacques Whitford

- Jacques Whitford has 1,800 employees and is a consulting engineering firm.
- Moving toward front-end planning in sustainability resulted in a significant process of cultural change.
 - This is REAL work – very hard to nurture change.
 - Don't ask a question you don't want answered – leadership needs to be prepared to let go of top-down control.
 - It was decided that one of the things that was needed was a new policy – sustainable procurement.
 - Six panels – volunteers across the company developed policies
 - Participatory planning approach is critical
- Each month has a learning and engagement theme:
 - A few months ago the theme was food
 - Looked into what and how employees want to learn about the theme
 - Able to rent movies on subject areas of learning
- Needed to hire sustainability coordinators to manage details
- Philanthropic giving program required a democratic approach: employees submit nominations and provide support for organization/ cause chosen.
- Listening is key: company uses e-survey tools and requests feedback in terms of how are we doing; what are areas of concern to employees.
- One of the panel groups wanted a policy for all company vehicles would now be hybrid.
 - Practical realities required a gradual transition over time as it did not make sense to give up existing leases.
- Needed to know the company's current carbon footprint:
 - Learned how to conduct a carbon footprint on a pilot basis in a few test offices.
 - Were then able to roll this out across company, based on learning from pilot offices.
 - Realized that travel accounted for the most significant footprint. However, company could not stop all travel.
 - Reduced travel solution through increased capacity for effective video-conferencing.
 - Spent \$1.1 million to upgrade video-conferencing capacity and saved \$2 million in travel.

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Were able to convince a client to come in to the local office in St. Johns in order to save on employee travelling to client office.

- All in all, employees able participate in visioning process.

What values did employees find to be important in their work and personal life?

- Some were environmental, some were social (e.g. flexibility, telecommuting)
- Learned a lot about targeting once they knew their carbon footprint.
- Effort to report should not outweigh the benefit of an initiative.
- Important to take a perspective of not telling but asking; engaging people in recommending and implementing.
- Communication tools include a monthly e-magazine: Sustainability Times and monthly Sustainability Stars who appear on the front intranet page.
- The sustainability program has an impact on employee retention and recruitment.

Martha Mclver, Hewlett Packard Canada

Martha Mclver led a session tackling best practices in two of HP Canada's initiatives: Green Advocates and a partnership with Learning for a Sustainable Future (LSF). They key is integrating the company's strengths, making it exciting, committing at the senior management level, tying programs into performance, and providing resources (time, budget).

Three keys to success in CSR

1. Advocacy: top down and from grass roots up; company's core values must be understood and embraced (e.g. annual training).
2. Integration: full integration in all areas of company, continuous, consistent with core values and operating procedures.
3. Engagement: create opportunities that engage talent. Employees must be fully engaged, therefore provide them with opportunities to contribute and celebrate success.

I. Green Advocates

- Encourages people to learn about environmental initiatives at HP.
- Over the long term, this makes a difference for cost savings and customer satisfaction.
- Employees are asked to participate in educational sessions by the Environmental Programs group, who manages the program.
- The program is voluntary; employees are asked if they are interested. They then sign up, attend session, and later download the information to their employer.

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- Employees who are Green Advocates are encouraged to share information about HP with their fellow employees.
- The program is tied to the yearly Focal Point review (yearly performance review), and this has helped with career development.
- Green Advocates meetings take place during work hours. Demo days could be on Saturday or Sunday, but time is compensated.
- For employees that cannot physically be at meetings, meetings are facilitated through various media such as videoconferencing and online meetings.

2. Partner for Learning for Sustainable Future (LSF)

- Managed through Philanthropy; typical focus on the three pillars of education, environment and community.
- Donates to non-profit organizations.
- Supports online tool that advances sustainability education curriculum. Works well because HP Canada is in the technology business.
- Volunteer program – 4 hours per month – LSF is one example where employees can participate. Employees get opportunity to talk to schools; has given the organization a lot of reach.
- HP's rationale for these two programs was that employees stated that they want to work for a company that is:
 - Customer relevant;
 - Designed for sustainable success; and
 - Admired.
- These programs have encouraged employees to collaborate and celebrate their successes, and they have resonated with employees.

Other HP efforts:

- Planet Partners
- Inkjet Recycling
- Junior Achievement
- United Way
- Waste Reduction Week
- Sponsorship
- Smart Printing (free program that lets you print the pages you need)
- Free Tim Horton's coffee if you bring your own mug

Break-out Discussion [Martha McIver]

Is one department the champion?

- Dispersed throughout the organization

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- Senior management should take messages and disperse them through the organization
- HP communicates throughout the organization through employee quarterly coffee talks
- Before the coffee talks, there are manager conference calls

What are other companies doing?

Company A:

- Starting a new environmental program, however challenge is engaging employees
- Having environmental committees across all locations
- Uncertain as to how to get people involved who are not passionate – how do you build awareness?

Company B:

- Know your own operational footprint
- Get programs in place to engage employees
- Lots of ad hoc things; but would like to put together programs, incentives, contests
 - for example, paper consumption
- Uncertain as how to approach strategy

Company C:

- Work with internal communications team to get the message out
- Embed in DNA of organization
- Making it fun is important; build excitement around issue

Responses:

- Don't really like "flavour of the month", ad hoc events
- Prizes and food are good but make sure they are consistent with the message
- Important to have regular events with a message weaved into them
- Take a carrot and stick approach – events are carrot, training is stick
- Employee recognition is important

How do you convince the company to devote a budget to it?

- Have to make business case for investment made
- Top level support required

What kind of partnerships has HP developed?

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HP has also found value in maintaining partnerships with educational institutions:

- Co-op placements with University of Waterloo bring enthusiasm and a new perspective to the organization
- Chair sponsorship at Schulich School of Business gives new insight into CSR
- Partnering with York University on study for telecommuting