



Briefing July 2008

Workforce Renewal

New Opportunities to Transform Health and Safety Culture

At a Glance

- ◆ The coming “retirement tsunami” will affect corporate health and safety culture in unprecedented ways.
- ◆ The diverse work styles, behaviours, and expectations of employees representing four different generational groups will require new approaches to health and safety.
- ◆ CEOs need to adapt their actions to these new realities if they want to transform their organizational health and safety culture.

INTRODUCTION

Hydro One is in the midst of hiring a new generation of employees. This brings with it a very important challenge—how to build a renewed health and safety culture in a workforce that is made up of several different generational cohorts.

Like many other organizations, Hydro One’s staff represents four different generational groups—traditionalists, baby boomers, Generation Xers, and Generation Yers. Each group brings with it a different set of values, expectations, and behaviours. As a result, building or strengthening a health and safety culture has become more complex.

To explore this issue in greater depth and to identify clear opportunities for action, Hydro One, a founding signatory of the CEO Health & Safety Leadership Charter, hosted workshops in January and June 2008 in London (Ontario) and Ottawa to discuss the challenge of building a strong health and safety culture while renewing the workforce. These workshops brought together over 100 leaders from various organizations to share their experiences, ideas, and strategies with the goal of helping all organizations address this important challenge. During the workshops, participants:

- ◆ heard from Hydro One’s executive team, including President and CEO Laura Formusa, about how the company is continuing to improve its health and safety culture in this context;
- ◆ engaged in a dynamic discussion with Adwoa Buahene from n-gen People Performance about understanding the factors that motivate different generational groups;
- ◆ listened to different perspectives on work and safety from a panel of Generation Y employees from Hydro One;
- ◆ were challenged by Rob Ellis—who shared his personal experience about the loss of his son in a work-related accident—to be strong and empowering safety champions;

Hydro One’s Challenge



Laura Formusa, President and CEO of Hydro One, pointed out that the current influx of young people into the workforce is the greatest Canada has seen in 20 years. Along with their skills and energy, these new employees raise new questions about how to build a renewed health and safety culture in a workforce made up of different generational cohorts.

Work in the utility sector involves higher levels of risk than work in many other industries. Employees are involved in driving, climbing, working in remote locations, operating in difficult weather, and dealing with high voltage equipment. In this context, Hydro One has a simple goal: to ensure that everyone goes home healthy and safe every day. This goal is achieved by leaving nothing to chance, integrating health and safety into every activity, and focusing heavily on teaching the safety culture to each new employee.

Hydro One is taking a “3Cs” approach to building a renewed health and safety culture in which the three Cs represent:

- ◆ competency (the capacity to work healthy and safe);
- ◆ commitment (by the employer and the employee); and
- ◆ contribution (from the newest apprentice to the CEO herself).

The challenge facing Hydro One—a challenge it is taking seriously—is how to bring a new generation of workers rapidly into the organization while maintaining and strengthening its health and safety culture.



The CEO Health & Safety Leadership Charter

In 2005, a group of CEOs came together under the encouragement of Duncan Hawthorne of Bruce Power and Maureen Shaw of the Industrial Accident Prevention Association to establish the CEO Health & Safety Leadership Charter. The charter is a series of seven commitments that leaders support and agree to take action on within their organizations. The seven commitments are to:

- ◆ subscribe to the principle that nothing is more important than the health, safety, and well-being of employees, contractors, visitors, and the surrounding community;
- ◆ integrate health and safety into business strategies, processes, and performance measures, and to recognize that good health and safety performance supports good business results;

- ◆ effectively manage health and safety risks by eliminating, minimizing, or controlling hazards;
- ◆ strive for continuous health and safety improvement and to provide the leadership and internal capacity to make this happen;
- ◆ provide an environment that enables all employees to participate and work collaboratively in developing, promoting, and improving health and safety at work;
- ◆ extend health and safety efforts beyond the workplace, recognizing and supporting related initiatives within the community; and
- ◆ participate within a CEO health and safety leadership learning community by providing and receiving information and best practices, with the goal of continuously improving health and safety strategies, programming, and performance.

The number of leaders who have embraced the charter has grown to over 300. The fundamental message is that organizations that are serious about the safety of their employees demonstrate leadership from the top.

- ♦ heard how different operational leaders from Hydro One are integrating a diverse labour force and building a shared sense of purpose and commitment to health and safety; and
- ♦ engaged in facilitated discussions about what actions CEOs need to take to transform their organizations' health and safety culture.

These workshops, like all CEO Health & Safety Leadership Charter events, were designed to provide CEOs, presidents, and other executives with the pragmatic and focused insights they need to improve the health and safety conditions in their organizations, supply chains, and communities. The Conference Board of Canada was pleased to work with Hydro One to deliver these workshops and to produce this report.

THE COMING RETIREMENT TSUNAMI

Tom Goldie, Senior Vice-President of Corporate Services at Hydro One, described what he referred to as the “retirement tsunami” facing the electricity sector. “One-third of employees in the industry are expected to retire within the next six years”—a proportion that represents more than 10,000 employees.

There will be a strong demand for human resources across Canada, and not just in the electricity sector.

Goldie cited low birth rates as the primary contributor to the current situation. He also noted that not only will a large number of employees be eligible for retirement, but there will also be substantial growth in the electricity sector in both Canada and the United States. It is estimated that Canada will require C\$190 billion of electricity infrastructure investment over the next 20 years (US\$2 trillion in the United States). Canadian bridges, roads, and water and sewage systems are also in urgent need of renewal. As a result, there will be a strong demand for human resources across Canada, and not just in the electricity sector. One way of countering the effect of low birthrates, said Goldie, is for Canada to attract more skilled immigrants.

However, competition from other countries for skilled immigrants is growing. As countries such as China and India continue to increase their standard of living and to pursue major infrastructure projects of their own, many former emigrants from these countries will be tempted to return home.

If the electricity and other sectors are unable to address this looming labour gap successfully, they will face a slowdown or complete stoppage of some infrastructure projects, reduced reliability of network operations, and a decline in productivity resulting from heavier work loads, increased training times, and limited opportunities for knowledge transfer. These conditions will increase the risk of health and safety incidents.

Furthermore, even assuming that Canada can attract a sufficient number of skilled immigrants to fill the labour gap, there are still a number of a health and safety challenges that will need to be addressed including:

- ♦ language barriers;
- ♦ training standards;
- ♦ cultural differences; and
- ♦ varying perspectives with respect to health and safety culture.

DIFFERENT GENERATIONS, DIFFERENT APPROACHES

As Canadian organizations respond to the retirement tsunami, the generational composition of the workforce is becoming more complex.

Adwoa Buahene described the different approaches and perspectives of the four generational cohorts currently in the workforce. Buahene also cautioned against stereotyping individuals based on their membership in a specific generational cohort. (See box “An Important Caveat About Labels.”)

Traditionalists (born between 1922–1945)

These individuals are typically focused on building a legacy. They respect authority and hierarchical systems. As a result, job titles and seniority are important to them. In a work context, they typically want to know what they can do to help you.

Baby Boomers (born between 1946–1964)

Baby boomers are driven by the goal of putting their stamp on things. They often challenge authority and prefer organizations that are non-hierarchical and democratic. Boomers want to show you what they can do for you.

Generation Xers (born between 1965–1980)

Members of the Generation X cohort are typically focused on maintaining their independence and are unimpressed by authority—they save their respect for individuals who are able to demonstrate their skills. Generation Xers are driven by the notion of what you can do for them.

Generation Yers (born between 1981–2000)

The goal for many Generation Yers is to find work and to create a life that has meaning. Their respect for authority figures is based on demonstrated competence, not on job title or position. This group is most interested in what organizations and leaders are able to do for them right now.

Each generation has a different perspective on its relationship with employers, authority, and colleagues, and brings a different work, management, and learning style into the organization. (See Table 1.)

An Important Caveat About Labels

Adwoa Buahene, Managing Partner of n-gen People Performance Inc., offered an important caveat about generational groupings that is worth reinforcing: Under no circumstances should organizations or managers label individuals based only on age. It is never acceptable to stereotype an employee. For example, if your employee is a Generation Xer, you should not label them as a high expectation/high maintenance employee. As a manager, you should seek to understand the characteristics, motivators, and personality of each of your direct reports. However, it is interesting to consider generational identities as one possible lens through which to view your employee groups. The research in generational identities has shown that there is enough commonality across a core group of people to allow organizations to speak of generational identities in a meaningful way. By taking a broad view of your workforce, you can create integrated strategies that engage all four generations.

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These differences were well illustrated by the panel of Generation Y employees from Hydro One who were asked to speak candidly about their jobs and their expectations. (They received no coaching and had been reassured that “no one would be fired” because of their comments.) Responding to questions from the moderator and the participants, they delivered a number of important messages.

All workers at every level are accountable for increasing their knowledge about safety, engaging in training and, perhaps most importantly, putting that knowledge to work.

Table 1
Work Styles of Different Cohorts

	Traditionalist	Boomer	Gen X	Gen Y
Work style	Linear	Structured	Flexible	Fluid
Behaviours and expectations	Follow the rules	Challenge the rules	Change the rules	Create the rules
	Change means something is broken	Change means caution	Change means opportunity	Change means improvement

Source: n-gen People Performance Inc.

Generation Y employees want to be challenged to improve the workplace in an ongoing way. If they are not fully engaged in the workplace, they will move to organizations where their input is solicited and valued.

Having an emotional connection with the organization and having pride in its reputation and brand is important to Generation Y employees. There is a clear desire among this generational cohort to work for a leader they are proud of.

ACTION AT HYDRO ONE

The electricity industry is facing the departure of a large number of senior experienced people. As these individuals leave the workforce, they will be handing over their roles to members of younger generations.

MEETING THE CHALLENGE

Hydro One has been preparing for this challenge for some time and has focused its activities on a number of key areas.

Orientation and Training

Hydro One is working to ensure that new employees automatically receive the orientation and training that will help them understand, embrace, and strengthen the organization's health and safety culture. This requires using a variety of approaches that reflect the diverse needs and styles of individuals from different generational cohorts.

Tom Goldie encouraged organizations to keep health and safety front and centre and to resist the temptation to cut corners during periods of transformation and stress. He noted that major labour changes represent an opportunity to change and strengthen organizational culture—particularly as it relates to health and safety.

Mentoring

Mentoring is a particularly important mechanism used to orient new staff to health and safety practices. Effective mentoring in a workforce made up of different generations involves the use of different approaches based on

the needs and styles of the individuals being mentored. While traditionalists may accept the model of “come here and let me make you like me,” Generation Xers do not want to “be like you” and Generation Yers would argue that “you should be more like me.” As a result, it is important to match employees with mentors who will be able to respond to and accommodate the differences between cohorts.

Partnerships

For all that Hydro One is doing, it has recognized that it cannot do it all alone. As a result, the company has established a number of partnerships to help it attract and develop new staff. One notable partnership is with community colleges—including Georgian College, Algonquin College, Mohawk College, and Northern College—to attract and train the technicians, technologists, and trades people needed to fuel the industry. Hydro One has committed \$3 million in scholarships and is working closely with the colleges to accomplish this goal.

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Leadership

Most importantly, Hydro One is taking a leadership role in transforming its health and safety culture while renewing its workforce. Members of the executive team express their commitment not only to taking action, but also to demonstrating their leadership—within the organization, with their partners and suppliers, at conferences, and through their involvement with the CEO Health & Safety Leadership Charter—in tangible ways.

Laura Formusa urges leaders in her own and other organizations to ask how they can improve what they are doing today to improve the level of health and safety in their organizations: “We owe it to our families, ourselves, and each other.”

Safety Champions

Rob Ellis, President of Our Youth at Work, challenged workshop participants to demonstrate their safety leadership in everything they do.

In February 1999, Rob lost his 18-year-old son David in a workplace accident. David died after becoming entangled in a dough mixer at a local bakery. He was on his second day of a temporary job. In honour of David's memory, Rob speaks to students, parents, unions, and businesses about the importance of workplace safety and accident prevention.

His message was clear. All employers and employees need to empower their children and their staff to question the safety of their workplaces. Employees need the training, guidance, and coaching to work safely and employers are accountable for making sure they receive it.

Rob challenged each participant to leave the session with a renewed sense of leadership as “safety champions” in everything they do so as to set an example that others can follow.

OPPORTUNITIES FOR ACTION

Workshop participants were asked a number of questions designed to identify specific actions that CEOs, presidents, and other senior executives can take to transform the health and safety culture of their organizations—particularly in light of the diverse generational composition of their workforces.

WHAT MORE SHOULD CEOs AND EXECUTIVE TEAMS BE DOING TO TRANSFORM HEALTH AND SAFETY CULTURE?

CEOs need to be more actively involved in health and safety activities in their organizations. A number of participants noted that while their senior executives will always talk about their commitment to health and safety, their actions rarely reflect a high level of commitment. Participants offered a number of specific suggestions.

Develop a clear and nuanced understanding of health and safety issues.

In some organizations, there is a gap between the employees and the executive team in the level of understanding about issues related to health and safety. To bridge this gap, participants suggested that CEOs put a

priority on attending health and safety meetings held within their organizations, as well as on participating in external conferences with their staff. This would allow CEOs and presidents to demonstrate publicly their commitment to health and safety and would set an example for other organizations.

Model the behaviour you want to see in others.

When it comes to health and safety, employees are looking for genuine, active involvement from their CEOs. Participants noted several times that they can almost always tell when CEOs are simply talking about the value of health and safety as opposed to fully embracing the value of health and safety.

Values are reflected in the shared behaviours of an organization and must be integrated into every action and decision of the organization. Participants emphasized that values must become inherent in everything that is seen, felt, heard, and touched in an organization.

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Employees are looking for CEOs to “practice what they preach” and a number of suggestions were made to help them accomplish this goal.

One way that leaders can demonstrate their personal commitment to health and safety is by initiating and being directly involved in leading new programs in the organization, as opposed to simply endorsing proposals made by others. Participants also suggested that CEOs should help their staff connect with individuals—like Rob Ellis—who bring their personal accounts and experiences about health and safety issues to the workplace.

Make health and safety “non-negotiable.”

Participants identified the need to make health and safety integral to the business. In fact, health and safety need to be declared “non-negotiable,” as they are at Jacques Whitford, an environmental engineering firm, where health and safety have been made standing agenda items as well as essential conditions in every project.

Health and safety considerations should evolve into standard components of every decision and action taken each day.

An excellent health and safety culture is comprised of health and safety practices and attitudes that permeate every aspect of an organization and are displayed by everyone—from the newest apprentice to the CEO.

Participants offered many suggestions about adding mandatory health and safety requirements to existing organization-wide business processes and reporting mechanisms—such as job interviews, position descriptions, performance reviews and rewards, internal and external audits, balanced scorecards, project proposal submissions, reports to boards of directors, and presentations at executive team meetings. Full integration of health and safety considerations into every aspect of the work environment and business processes reinforces the idea that health and safety are not just nominal priorities.

Create an environment of trust.

Trust is a prerequisite for motivating employees to think and speak critically about an organization’s health and safety culture.

The CEO can set the tone by being available and making time for health and safety issues, by personally inviting and accepting constructive criticism, by providing timely feedback when suggestions are made, and by remaining fair and factual when conducting due diligence inquiries into workplace incidents.

WHAT INITIATIVES SHOULD SENIOR LEADERS UNDERTAKE TO TRANSFORM HEALTH AND SAFETY CULTURE?

Transforming organizational culture requires leaders who provide a clear example of the desired behaviour and engage their employees.

Demonstrate and demand accountability.

Workshop participants stressed the importance of senior leaders demonstrating the level of accountability they expect from everyone else in the organization.

Laura Formusa suggested that, as a starting point, organizations should continuously remind their employees that they have a duty to arrive fit for work every day. She added that it is important for employees and their leaders to realize that they are both entitled to *and responsible for* a healthy and safe workplace.

Workshop participants suggested a number of concrete measures that organizations could institute to increase individual accountability for health and safety.

Organizations could:

- ◆ integrate health and safety activities in all position descriptions;
- ◆ establish health and safety targets as an element of performance assessments;
- ◆ report regularly to the board of directors on issues, activities, and achievements related to health and safety; and
- ◆ add a health and safety category to balanced scorecard assessments and require explanations when there are variances between targets and performance.

Organizations should continuously remind their employees that they have a duty to arrive fit for work every day.

HOW CAN ORGANIZATIONS MANAGE THE RETIREMENT TSUNAMI TO IMPROVE HEALTH AND SAFETY CULTURE?

Canada is about to be confronted with an unprecedented change in the composition of its workforce as baby boomers start to retire in droves. Some have started to characterize this mass exodus as a retirement “tsunami,” as opposed to what they consider a less consequential retirement “wave.”

Engage your silver liners.

Tom Goldie emphasized that the mass exodus of employees nearing retirement age presents a challenge to organizations looking to preserve their health and safety culture. Conversely, he noted, this major shift presents an immense opportunity for organizations looking to change or transform their health and safety culture.

Many participants found it useful to start the transformation process by identifying key knowledge and skills carriers among the more experienced employees. They considered this group to be an invaluable resource.

First, this group of employees is often well respected by younger generations for their competencies and knowledge. Second, the more experienced employees generally take great interest and pride in mentoring and coaching the incoming generations and, as a bonus, this relationship often results in a rejuvenated interest in their work.

Prepare for the future.

It is important for an organization to avoid a situation in which detailed knowledge of its health and safety environment and the related behavioural adaptations leave with the last retiree.

Comments made at the workshops underlined the importance of making health and safety expertise a factor in an organization's succession planning. This requires an awareness of who the health and safety champions and experts are within an organization and the foresight to include these individuals in developing their successors.

Workshop participants also identified a need for organizations to document and map health and safety processes and procedures as they would any other business process.

Health and Safety Rewards

Reward systems for outstanding health and safety initiatives are another way organizations can inspire employees to think creatively about improving health and safety practices. The reward systems can be either formal (e.g., linked to the organization's performance review program), or informal, or both can be run in parallel.

Brian Guthrie of Jacques Whitford shared one example of an informal reward initiative. The company found that approximately 70 per cent of vehicle-related accidents occurred when staff members were backing out of their parking spots. It then made a concerted effort to encourage all staff to back in when parking. In one office, a barbecue lunch was promised (and provided) as a reward when 100 per cent of the staff adopted the approach.

This would ensure that health and safety are not only habits—which can lose their binding character over time—but an integrated part of the business.

Refine your message.

The behaviour patterns and identities associated with the four generational cohorts present both challenges and opportunities.

Leaders that understand their employees' work, management, and learning styles and their relationship with authority, colleagues, and the organization can use this knowledge to build and maintain a strong health and safety culture.

Members of a panel made up of Hydro One employees representing the Generation Y cohort showed their confidence in their company when they very candidly shared their perspectives on organizational health and safety.

Young employees have very clear work expectations for health and safety and personal input.

The panel members, for example, made it clear that they would not continue to work for Hydro One if the company did not personally challenge them in a safe work environment. Evidently, these young employees have very clear work expectations for health and safety and personal input.

The Generation Y panel concurred that health and safety messages really stick when they are directly relevant to an employee's personal situation. Health and safety messages specific to individual jobs, roles, and workplaces have a much better chance of being heard than generic calls for increased awareness. When asked to identify the most effective way to deliver a health and safety message, they agreed that an in-person account of a real-life incident that occurred in a situation that they themselves might experience would have the strongest impact.

Workshop participants all agreed with the panel that the sharing of anecdotes about health and safety incidents is the single most effective way to change habits and attitudes.

Review your training and educational materials.

Workshop participants also made specific recommendations about how to improve training and educational materials.

- ◆ Use clear, direct language.
- ◆ Keep it simple.
- ◆ Use recent material and delivery formats.
- ◆ Draw on real people and experiences, and connect training messages to actual events.

- ◆ Encourage employees to teach each other.
- ◆ Make an emotional connection.
- ◆ Draw the link between home and workplace.

Participants drew attention to the fact that immigrant employees may face additional challenges, often related to language barriers, cultural differences, and divergent health and safety habits, standards and expectations. They encouraged leaders to place special attention on meeting those needs in designing training programs and delivering educational material.



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The Conference Board of Canada

National Security & Public Safety

1-866-711-2262

security-safety@conferenceboard.ca

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by *Trefor Munn-Venn* and *Bjorn Rutten*

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255 Smyth Road, Ottawa ON K1H 8M7 Canada

Tel. 613-526-3280 • Fax 613-526-4857 • Inquiries 1-866-711-2262

The Conference Board, Inc. 845 Third Avenue, New York NY 10022-6679 USA Tel. 212-759-0900 • Fax 212-980-7014 • www.conference-board.org

The Conference Board Europe Chaussée de La Hulpe 130, Box 11, B-1000 Brussels, Belgium Tel. +32 2 675 54 05 • Fax +32 2 675 03 95

The Conference Board Asia-Pacific 2802 Admiralty Centre, Tower 1, 18 Harcourt Road, Admiralty Hong Kong SAR Tel. +852 2511 1630 • Fax +852 2869 1403

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Printed in Canada • All rights reserved
ISSN 1205-1675 • ISBN 978-0-88763-876-3
Agreement No. 40063028

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