Assessment of Organizational Health at the National Energy Board

Report submitted to Albert Fung, Manager of Audit and Evaluation, National Energy Board, Calgary.

December 1, 2003

Prepared by:

Graham S. Lowe, Ph.D.
The Graham Lowe Group Inc.
Kelowna, BC
250.717.7371
glowe@grahamlowe.ca
www.grahamlowe.ca

Table of contents

THE
GRAHAM | LOWE
GROUP

Mandate

This report presents the findings of an independent assessment of organizational health at the National Energy Board. The assessment was initiated by the NEB's Internal Audit and Evaluation Committee as a way of developing an NEB model, and appropriate measures, of organizational health that links human resource practices, values and strategic goals. This required a stock-taking of human resource initiatives underway or planned at the Board.

Four basic questions guided the assessment:

1) What are the current strengths in the Board's approach to human resource management?

2) Where are the major human resource management gaps and what opportunities exist to achieve greater effectiveness?

3) Are the data used to inform human resource decisions adequate and what additional data would help monitor effectiveness and achieve better results?

4) Would the NEB benefit from a healthy organization 'model' that links human resource management practices, corporate values and strategic goals?

This report is intended to be evaluative, rather than directive. The following evaluation of strengths and gaps is presented as an opportunity for organizational learning. So instead of presenting the Executive Team with specific recommendations, to be accepted or rejected, the report frames the issues and presents options in ways that encourage creative thinking and strategic discussions about a small number of actions that can build a healthier organization.

The major impetus for the assessment was senior management's commitment to address work environment issues – trust, innovation and openness, in particular – identified by the 2002 Employee Opinion Survey (EOS). The assessment also is timely in three important respects. First, the NEB added a fifth goal – effectively leading its people and managing its resources – to its strategic plan this year, thereby increasing management's accountability for human resource practices. Second, the April 2003 All-Staff meeting reinforced the urgency of management taking action to address the work environment deficiencies identified in the EOS. And third, the appointment of a new Chief Operating Officer will bring a fresh leadership approach to human resource challenges.

In summary, as an exercise in stock-taking, strength-building and gap-analysis, this assessment is intended to ensure that any future actions by the NEB to improve the overall health of the organization not only meet employees' needs, but equally crucial, contribute to the Board's strategic goals in the most cost-effective ways.

Approach

The evaluation was conducted by Dr. Graham Lowe, an independent consultant and university professor. The terms of reference were developed collaboratively with Albert Fung, Manager of Audit and Evaluation at the NEB. The evaluation process was done at arms-length from the

THE
GRAHAM | LOWE
GROUP

Board. Dr. Lowe requested, and received, all information he deemed necessary to address the four questions set out above.

Three sources of information formed the basis for the evaluation:

1) Interviews conducted by Dr. Lowe with 17 staff and Board members. Interviewees included the NEB Chair and Vice-Chair, the acting Chief Operating Officer, a Board member, all Business Unit leaders, several Professional Leaders, several Team Leaders, and staff representatives for the Public Service Alliance and the Professional Institute of the Public Service. Appendix 1 provides a statement of the purpose of the interviews and the interview questions.

2) Analysis of all NEB policy and planning documents relevant to the mandate of the evaluation.

3) A review of data relevant to the mandate of the evaluation, including findings from the 1999 and 2002 Employee Opinion Surveys, absenteeism data, occupational safety and health indicators, exit interviews, Employee Assistance Plan utilization, and demographic data.

Findings

This section of the report documents the strengths and gaps identified in the assessment. Opportunities for action also are outlined, and these emphasize strength-building and gap-closing actions. Following this is an assessment of current employee and organizational indicators relevant for tracking the health of the organization. The final section discusses a 'healthy organization model' and presents three options for Board management to consider.

Strengths

The National Energy Board has a solid foundation of human resource management policies and practices. Leaders recognize that improvements in this area are a continuous process. What stands out is the commitment of the ExTeam to address issues raised in the 2002 Employee Opinion Survey. There is no doubt that the survey, the April 2003 All-Staff meeting, and the Business Unit responses to the survey have raised staff expectations that actions soon will follow.

> "The NEB is effective in leading its people and managing its resources."
> *Goal 5, NEB Strategic Plan.*

The NEB has the fundamentals in place for a *strategic* approach to human resource management, which essentially means treating employees as the organization's core asset and viewing all people practices as directly contributing to business goals.

Specifically, the NEB has included a new goal in its 2003 – 2006 strategic plan that raises the importance of people leadership. Reinforcing this, human resource issues are more likely to be considered in senior management decision-making with the creation of the Human Resource Executive Board in 2001. NEB corporate values emphasize the importance of work relationships built on trust, honesty and mutual respect. The Board's Employee Code of Conduct and Harassment Prevention Policy

offer clear behavioural guidelines and are strongly supported by senior management. The Board's management information system selectively reports data on employees. A job competency framework has been introduced, which emphasizes the behaviours needed for future success and attempts to align recruitment and career development more directly to business goals.

In terms of human resource programs, the Board has a wide range of initiatives that contribute to its competitiveness in the Calgary labour market. These include: an employee assistance program, an employee recognition program, banked time, flexible work schedules, ad-hoc work-at-home arrangements, and educational leave. The Occupational Safety and Health Committee has an expanded mandate to address employee wellness and its recent discussion paper proposes initiatives in this area.

Employees themselves are very positive about key aspects of the NEB as a place to work. The 2002 Employee Opinion Survey documented that close to 9 out of 10 survey respondents consider the NEB to be a good place to work, up from 1999. Furthermore, the survey found high employee ratings (80% or more positive) of respect, work arrangements, and acceptance of diversity. The Board's absenteeism and grievance trends are well within acceptable ranges for a federal public service employer. Exit interviews show that jobs at the NEB offer challenging and interesting work and overall compensation levels were not a major push factor. Preventable attrition (voluntary departure of employees the Board would like to retain) is relatively low, especially in a competitive labour market.

Gaps

During interviews, all managers reiterated one of the key findings from the 2002 EOS, the all-staff meeting feedback, and the Vice-Chair's employee interviews – that NEB employees distrust management because they do not follow through on commitments. Senior managers are responding to this feedback, but actions so far consist of discussing, planning, and communicating. Making concrete changes that will bring tangible improvements therefore is viewed by many senior managers as an *urgent* priority.

Indeed, the consensus view is that the biggest human resource challenge the Board faces is closing the "walk – talk gap." While this is a typical problem in many organizations, the fact that it is recognized and being openly discussed at the NEB is a constructive sign.

The Competency Framework is an effective tool for helping employees contribute to Board's strategic goals by work effectively together. The organization-wide competencies have the *potential* to generate the innovation, creativity and trust-based relationships sought after by leaders and employees. Core competencies of communications, teamwork, interpretation and analysis, leadership, results orientation – and the associated behavioural characteristics – address the gaps identified in the EOS and encourage a more strategic orientation for all staff. The Competency Framework's purpose is "linking you [the employee] to the business strategy." This could be further reinforced by emphasizing the contribution of Goal 5 (the people part) to the overall success of NEB, and how the Framework supports Goal 5. Corporate communication on the Competency Framework therefore should highlight team work, working relationships, and a positive work climate – all of which support the ability of individuals and groups to apply their competencies in the pursuit of NEB goals.

THE
GRAHAM | LOWE
GROUP

Business Unit Leaders and Team Leaders are crucial to the Board's success in building a healthy work environment and high-trust work relationships. It may be necessary to design new on-going training for BLs and TLs to promote the kinds of leadership, communication, coaching and supportive supervision skills needed to address problems such as fear of reprisal and the lack of an innovative culture.

However, a more effective way to address these issues may be to weave them into existing Competency Framework training. For example, Team Leaders are expected to assume a coaching role. Yet there appears to be some reluctance to talk this on. Team leadership seems to be based more on technical expertise than on people skills. There is no evidence to indicate whether management and leadership training has been effective in developing coaching skills. Furthermore, the performance management system does not provide the right incentives to encourage coaching behaviour, nor does it impose negative consequences for not doing so.

Another issue, identified in both the EOS and in the interviews conducted for this assessment, is the uneven distribution of workload and the difficulties managers face (or their unwillingness to face) addressing poor performance by a minority of employees. Again, solutions require clear corporate guidelines on team functioning and the direct involvement of TLs, BLs and Professional Leaders– some of whom may be part of the problem. Solutions will also have to address how teams operate and whether the performance management system provides the feedback, incentives and disincentives needed for Team Leaders to carry their people leadership responsibilities. To the extent that the ExTeam is committed to improving trust, openness and innovation, it must find solutions to workload, performance and team functioning problems.

A final gap that affects the ability of managers to "walk the talk" is an apparent difficulty in priority-setting. While this affects the entire management system, it is especially evident in the human resource area, given that many new human resource initiatives recently have been launched and more are planned. Helpful in this regard would be an over-arching corporate human resource plan that integrates these initiatives, creating synergies, and sequencing actions. Such a plan would facilitate tangible results that employees can see and feel. At the time of this assessment, Corporate Services' Human Resource team had unfilled positions, so was unable to take on more projects. However, this constraint need not slow the process. Responsibility for developing action plans around Goal 5 and EOS follow-up must be a shared responsibility among all managers, with HR playing an enabling role. Above all, the ExTeam and individual managers must bear in mind that effective change is a steady sequence of incremental improvements.

Opportunities

- The NEB's corporate values are not well understood by employees nor do they provide clear guides for management action. Rather than reinventing the values, they could be revisited and refined. The text box below gives an example of what this might look like. The Board needs to aim for a simpler, more compelling statement that all employees can grasp and that can be translated into concrete behaviours, reinforced through the Competency Framework. The ExTeam will need to take the initiative on this and then involve Team Leaders and employees to maximize buy-in.

THE
GRAHAM LOWE
GROUP

> NEB values that build a high-trust, high-performing workplace:
> - Respect
> - Honesty
> - Fairness
> - Cooperation
> - Accountability
> - Learning
> - Innovation
>
> *Extracted from NEB's 7 value statements.*

- It may help the ExTeam (and the Human Resource Executive Board) to set action priorities and sequence their implementation if they first re-visited Goal 5. This goal mixes broad leadership and efficiency goals. To an outsider, and no doubt to many employees, its intent is vague. What does leading people mean, and does 'effectively managing resources' refer to all resources, or mainly to human resources? The *2003-2004 Estimates* report states that Goal 5 "raises emphasis on management accountabilities" and "is about sound business management and effective decision making" – statements that fail to communicate the priority the ExTeam apparently wants to give to supporting and developing staff.

- Given variations across Business Units, each must continue to engage its staff in developing responses to the EOS findings. There also needs to be corporate leadership and support for this. The ExTeam, through the Human Resource Executive Board, must provide overall direction, laying out the principles, articulating an overall vision of what the NEB should look like as a place to work, identifying and disseminating best practices, and supporting initiatives within each unit.

- Team functioning certainly affects performance, as well as employees' perceptions that management is ignoring their problems. As in many organizations, Team Leaders can be the weak link in the productivity and employee satisfaction chain. Team Leaders play a key role in employee skill and career development, which is a gap identified in the EOS and in exit interviews. As already noted, TLs also contribute to the uneven distribution of workload. Furthermore, for the majority of employees reporting harassment and discrimination, these problems were created by a supervisor or manager. Consistent with this, the April 2003 All-Staff meeting poll found that Team Leaders and Business Unit Leaders were most often identified as the sources of reprisal.

- EOS findings on other issues also point to problems in teams operations and team leadership. Sizeable minorities of employees reported that their team does not take time out periodically to rethink how it does business. This reflects a lack of priority-setting within some teams and a team culture that under-values 'think time'. The result is a lack of innovation and creativity within these teams. Similarly, sizeable groups reported that they do not receive timely and useful feedback from their supervisor and do not receive coaching that can improve the way they work.

- Steps can be taken to embed what many senior managers view as the intent of Goal 5 – developing employees and creating an exemplary workplace as a means of enhancing organizational effectiveness – into the annual strategic planning cycle. The Board prides itself at stakeholder consultation (Goal 4), so it would be a logical step to apply this principle internally, engaging employees in the annual planning cycle. This would achieve two objectives: create a clearer understanding among all employees of how they contribute to business goals; and obtain constructive feedback on how effectively employees are supported to make those contributions. The Competency Framework training, perhaps with refinements, can address some of these problems. But the

THE
GRAHAM | LOWE
GROUP

available evidence also suggests the need for a more rigorous approach to performance management at the supervisor level.

▪ Every decisive step, however small, that the ExTeam takes to address the gaps identified in this report will demonstrate commitment to employees and slowly build trust. In this sense, trust is best viewed not as a 'value' – although it is something prized and sought after in the organization – but rather as an outcome of acting on the other values. This is clear from the results of the instant polling conducted at the April All-Staff meeting. While actions by the ExTeam and Board members are important, more important is what Business Unit and Team Leaders do. Staff who participated in the poll viewed four components of trust – behave with integrity according to NEB values, do what we say, communicate honestly and openly, be consistent in our actions and decisions –as equally important. The poll also found strong support for upward appraisal of leaders' skills and performance, a move that would go some distance to increasing management accountability for acting on NEB values.

Data

The NEB now has data from two employee opinion surveys and has begun to track changes in key outcomes between 1999 and 2002. For example, the 2002 EOS Working Group Report tracks progress on two key indicators: work-life balance and harassment and discrimination. Response rates on both surveys were considerably higher than in the rest of the federal public service. This has positive implications for data quality and for employee receptivity to future surveys, which will enable continuous trend-tracking.

More important perhaps is how the NEB has used the 2002 EOS data to learn about how to do things better. The Project Working Group's report and the April 2003 All-Staff meeting have generated momentum for positive changes. Within Business Units, discussions and analysis of the survey findings have led to the development of action plans that have the potential to bring about tangible improvements.

However, there are significant gaps in NEB employee and organizational data. Some of these are recognized by Board management, so elaborating them below may serve the purpose of focusing the ExTeam's attention on the need to set action priorities in this regard.

Despite some modification to questionnaire items, the NEB Employee Opinion Survey still suffers from the limitations of the Public Service Employee Survey, in terms of question wording, response categories, issues not covered, and lack of evaluative measures. The survey only partially documents what employees view as problems and gives limited employee input on solutions. For example, it documents the percentage of employees using flexible hours and work-at-home arrangements, but we do not know what percentage of the non-participants in these schemes would like the opportunity to do so, and what they perceive as the barriers to their participation. Management follow-up to the EOS has identified some of these limitations, which any future employee survey will need to rectify.

More specifically, Board management faces two big challenges. The first is identifying a compact, meaningful and rigorous set of measures that reflect the values, mission and goals of the organization. The second is creating a process for effectively using this information. As in most organizations, a bigger challenge than actually collecting and reporting human resource

THE
GRAHAM | LOWE
GROUP

data is building it into the annual strategic planning cycle. The key point, then, is that measures are not an end in themselves, but a means to organizational learning and improvement.

As the NEB strengthens its human resource management information systems, including the regular tracking and reporting of key employee outcome indicators, the following options may be useful to consider:

▪ Absenteeism data and lost-time injuries are the main indicators of employee health currently available. Regardless of whether or not the NEB adopts a 'healthy organization' model, a compact menu of health indicators would be useful. New indicators could include self-assessed mental and physical health, stress, work-life balance, and evaluations of support for employee wellness. In addition to injury and absenteeism data, other indicators available from the Human Resource Information System are vacation days taken, overtime hours and annual hours of training received. Any new indicator must directly link to strategic goals, be meaningful to all groups in the organization, and directly inform management actions.

> Examples of indicators for use as external benchmarks (available by region, occupation, industry, age, gender) from various Statistics Canada (www.statcan.ca) employee surveys.
> *Workplace and Employee Survey:*
> ▪ Overall job satisfaction
> ▪ Satisfaction with pay and benefits
> ▪ Team work
> ▪ Participation in decision making
> ▪ Work hours and schedules
> ▪ Training participation
> ▪ Use of personal and family support programs
> *General Social Survey:*
> ▪ Sources of job stress
> ▪ Self-reported job stress
> *Canadian Community Health Survey*:
> ▪ Self-rated general health
> ▪ Depression
> ▪ Self-reported stress
> ▪ Chronic health conditions
> ▪ Health related behaviour (diet, exercise, smoking, alcohol consumption)

▪ The Board's 2003-2006 Strategic Plan states that Goal 5 will be measured, in part, by an "employee leadership and satisfaction index." Creating such an index is both a strategic and a technical challenge. This is where a model can help, showing the inputs, processes and outcomes the Board needs to monitor and how human resource capacity contributes to overall performance. Measures should provide management the information they need to set priorities, design policies and make people investments. Rather than trying to combine distinct concepts such as 'leadership' and 'satisfaction' into a single index, which will be difficult to interpret, it may be more useful to create separate indices.

▪ As noted above, a major weakness in Goal 5 is that it incorporates four quite different types of outcomes measures, three of which could overshadow an employee outcome index. Creating balance across all measures may require a separate goal that is built around human resource goals. Instead of creating a 6th goal, this could be achieved by integrating "managing resources", and the efficiency and expenditure measures, into the 4 other goals. This would refocus Goal 5 exclusively on 'people' issues.

▪ The 'triangulation' of existing data sources is a powerful and cost-effective way to pin-point strengths and weaknesses in people practices. This approach integrates

THE
GRAHAM | LOWE
GROUP

information from surveys, administrative data (absenteeism, work hours, health benefits utilization, etc.) and qualitative employee inputs, such as group consultations and exit interviews. Linkage is achieved by lining up data by business unit, or work team where possible, and key employee groups (e.g., occupational, demographic). One data source worth investigating in this regard is health benefits data. For example, assuming it is possible to obtain drug claim utilization data reported for specific drug classes (e.g., anti-depressants) by organizational unit (to preserve confidentiality), this would be a useful indicator of work-related health problems, such as job stress.

- There is recognition among Board managers that a more robust approach to benchmarking may further strengthen the NEB's ability to track key employee outcomes, human resource management processes, and through this, more effectively design interventions. Benchmarking decisions must be made on strategic grounds, selecting an integrated set of benchmarks (ideally, 4 to 6) that contribute to the NEB's competitive advantage in the labour market and provide greater accountability for managers to better lead and support their staff. However, common problems with external benchmarks include data availability, data quality and measurement comparability. Furthermore, finding the right comparison group is not easy (e.g., should it be the Calgary energy sector, some mix of public sector organizations either nationally or in Alberta, knowledge workers, the current 'list' of 50 best employers in Canada in the *Report on Business Magazine*, the top quartile or decile in some sample of employees, or a large consulting firm's client database?).

- One option for the Board to consider, as it weighs the pros and cons of external benchmarking, is the range of good quality national data available at a nominal charge from Statistics Canada (see box above).

- Still, some experts argue that internal benchmarking among business units and employee groups, and over time, is more accurate and useful for tracking progress and designing targeted interventions than external comparisons. The NEB engaged in this exercise in its analysis of the 2002 EOS. Now the challenge is making available the time, resources and the high level of management commitment needed for sustained and successful follow-through. Figure 1, below, outlines the basic logic of benchmarking as a guide to ExTeam discussions of this issue.

- Targeted feedback from specific demographic groups could contribute useful information to recruitment, retention and succession planning. For example, while students now are included in exit interviews, this could be an opportunity to further examine their experiences as potential full-time recruits, much the way that the Public Service Commission has surveyed summer students in the federal government. In terms of succession planning, while the NEB's overall demographic profile suggests a manageable exit of baby-boomers, four job classifications (4, 11, 12, and 14) are significantly older on average than the NEB as a whole. Understanding the retirement plans and interest in flexible retirement options for employees over the age of 45 would ease the pressures of succession planning. This information could be collected by a short survey or by piggy-backing a retirement planning section for older employees onto the next corporate employee survey.

Figure 1: Benchmarking

	Internal	External
Employee	*EG: Commitment, job satisfaction, influence*	*EG: Absenteeism, turnover, job quality deficits*
Organization	*EG: Effectiveness of supervision, assessment of training, perceptions of fairness*	*EG: Training, use of teams, benefits coverage*

TIME ⟶

Organizational Health

The mandate of the Occupational Safety and Health Committee recently was expanded to include wellness. This represents a more effective mandate for the committee, given that the NEB has achieved a very safe work environment. The Committee has pursued this broader focus by drafting a Position Paper for an Employee Wellness Program.

The only solid data the Committee had available to assess the health of employees is sick leave statistics, but it also has picked up 'anecdotal' evidence that there may be a range of health problems. If the Board is going to design a Wellness Program based on documented needs, then it will have to accurately diagnose the current state of employee health. This will ensure that interventions are targeted at problem areas and that base-line measures are in place to monitor improvements. The EOS offers a handful of indicators in this regard (e.g., work-life balance, harassment and discrimination, supportive co-worker and supervisor relations, trust, fairness and respect), so it could be a starting point.

The Committee's Discussion Paper raises several important points that the ExTeam should consider:

- Health must be viewed in both individual and organizational terms. Research suggests that healthy employees can contribute to organizational effectiveness and operational

THE
GRAHAM | LOWE
GROUP

efficiency. At the same time, a healthy and safe environment is a precondition for mentally and physically healthy employees.

▪ If a comprehensive approach to health is going to guide the NEB, then it must become everyone's responsibility, not a program delegated to the OSHC or Corporate Services' Human Resource team. The Human Resource team would have to play an enabling role in diffusing that responsibility, yet at the time of the Assessment, it was short-handed due to unfilled positions and dealing with many competing priorities.

▪ The NEB, like many organizations under the Canada Labour Code, has developed a safety culture that, while effective in reducing or eliminating safety hazards, has not extended much into the 'health' side of the mandate. To do this successfully requires adequate resources and higher management priority given to improving and/or maintaining individual and organizational health.

▪ Organizational factors are key drivers of employee health and well-being. These include work schedules, job design, employee influence, training opportunities, the quality of supervision, and workplace relationships.

▪ The potential benefits of a comprehensive approach to creating a healthy workforce and workplace can be substantial, but will need to be documented. Baseline measures and an efficient monitoring and evaluation system are basic features of successful comprehensive workplace healthy promotion initiatives. Monitoring could be achieved by including key indicators in an on-going employee survey tool.

Even if the NEB decides to implement a comprehensive employee wellness program, this does not ensure it will become a 'healthy organization'. Furthermore, introducing a wellness program does not necessarily require the NEB to adopt a model, or the language, of a 'healthy organization'. In other words, an employee wellness program and organizational health can be pursued as separate or integrated agendas. Neither is dependent on the other, although potential synergies can result from a linked approach.

As Figures 2 and 3 (below) show, the concept of a healthy organization is over-arching, linking all features of the organizational and management systems that impact employees' capacity to deliver results. In this sense, a healthy organization also is a well-functioning, effective organization. The thinking behind a healthy organization is that by creating a healthy and supportive work environment, this will help build and sustain the human resource capacity (a skilled, creative and committed workforce) that is able to deliver excellent results. Figure 3 applies this thinking to the NEB, building in NEB values, culture and strategic goals.

Figure 2: The logic of a healthy organization

*Linking a healthy work environment,
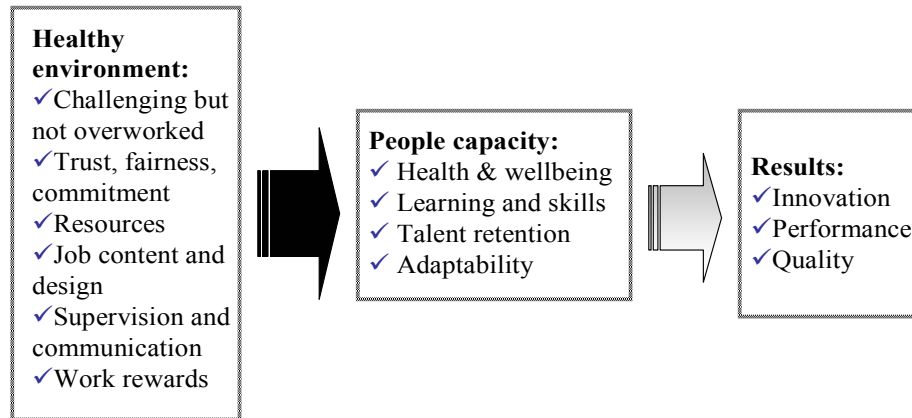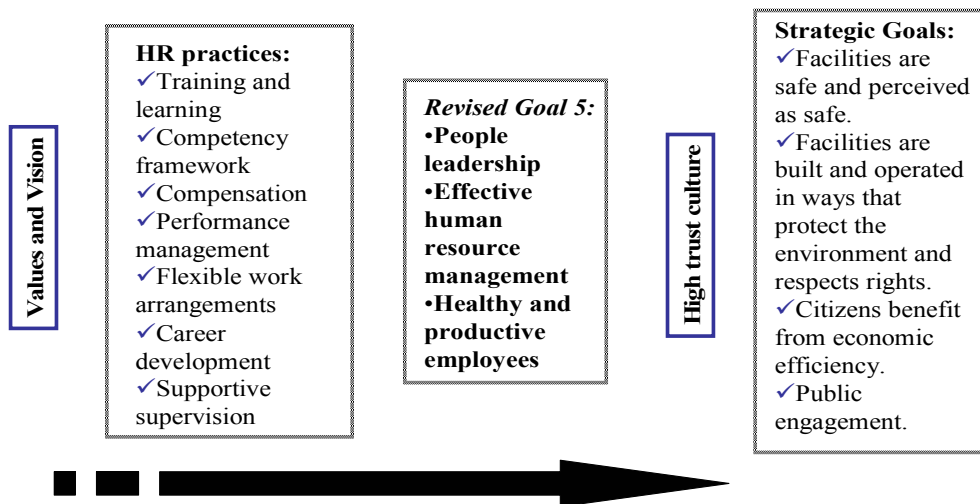people capacity, and business results:*

Healthy environment:
✓Challenging but not overworked
✓Trust, fairness, commitment
✓Resources
✓Job content and design
✓Supervision and communication
✓Work rewards

People capacity:
✓ Health & wellbeing
✓ Learning and skills
✓ Talent retention
✓ Adaptability

Results:
✓Innovation
✓Performance
✓Quality

Figure 3: Realigning NEB Strategic Goals around Organizational Health and Effectiveness

Values and Vision

HR practices:
✓Training and learning
✓Competency framework
✓Compensation
✓Performance management
✓Flexible work arrangements
✓Career development
✓Supportive supervision

Revised Goal 5:
•**People leadership**
•**Effective human resource management**
•**Healthy and productive employees**

High trust culture

Strategic Goals:
✓Facilities are safe and perceived as safe.
✓Facilities are built and operated in ways that protect the environment and respects rights.
✓Citizens benefit from economic efficiency.
✓Public engagement.

There are three basic options for the NEB ExTeam to consider. Option 1 is to stick with the existing language of strategic planning, Goal 5 (with some refinements), the revisited values, and a more comprehensive and integrated human resource plan for the organization. This would not 'add' a new label or model referring to organizational health, although it leaves open the possibility of introducing a wellness program.

Option 2 would take this basic approach and blend in some of the healthy organization language to provide a focal point for a more comprehensive human resource plan. Some well-crafted communication around management follow-ups to the EOS findings could refer to the commitment to create a healthy work environment, where everyone is treated fairly and respectfully, and where employees cooperate, learn, and innovate in order to further the NEB's mission. It also would be possible to include healthy outcomes in a redefined and more focused Goal 5 without having to build the organization's entire human resource model around the healthy organization concept.

Option 3 is to fully adopt the language and logic of a healthy organization. This will definitely raise employees' expectations of positive change and require existing human resource initiatives to be reframed in the language of a healthy organization. The advantage of this approach is that it offers an anchor for the range of current human resource initiatives and could signal to employees that management has a plan of action to address long-standing issues. The risk, of course, is that the action plan falters during implementation.

Conclusion

Creating healthy, well-performing organizations is all about incremental change. There will be no 'big bang' that transforms the NEB into a high-trust workplace. There will be no sudden shift into a culture that nurtures creativity and innovation. Changing attitudes and behaviours as fundamental as these is at least a 5 year project involving a planned sequence of small steps.

There are several basic principles that may be useful guides to the ExTeam as it uses this report to plan those next steps. These are: consolidation, prioritizing, and meaningful action. Employees have made it very clear that they want changes that will address concerns raised in the EOS, and managers agree. Given the large number of items on management's agenda, moving from thinking to doing can be facilitated by consolidating programs and priorities, then identifying the two or three most urgent for *immediate* action. This will require difficult decisions about what initiatives to drop altogether or shelve. For employees, what matters most is how they are treated daily by their immediate supervisor, so this may be a logical starting point. Regardless, moving to action will require ExTeam discussions with the Board, so that workloads and timetables can be re-calibrated to make the space necessary to implement change.

A thorough discussion by senior managers of the issues raised in this report will move the National Energy Board toward being a respected leader in people management. Ultimately, this is how it will achieve its broader vision of becoming a respected leader in safety, environment and economic regulation.

Appendix 1

National Energy Board: Assessment of "Organizational Health"

Conducted by Graham S. Lowe, The Graham Lowe Group Inc.
September 2003

The NEB is taking stock of its human resource policies and practices and how these contribute to strategic goals. In this regard, the NEB is seeking better ways to create and maintain a healthy organization. The following questions are designed to get your views and suggestions regarding 'healthy organization' issues. You may answer from the perspective of your team, business unit, and/or the NEB as a whole.

1) What issues did the 2002 employee survey raise for you?

- How have you as a manager responded to the findings from the 2002 employee survey?

- What more needs to be done in your business unit?

2) What are your views on the NEB's values?

- Are they well understood by all employees?

- Do they guide management behaviour?

3) Does the work environment at the NEB foster creativity and innovation?

- What improvements are required?

4) What does the term 'healthy organization' mean to you?

- How 'healthy' is NEB as an organization?

- What changes are required to become a healthier organization?

5) What's your overall assessment of the NEB's human resource policies and practices?

- What are the major strengths and weaknesses in this regard?

- How could HR policies and practices better contribute to organizational effectiveness?

6) What are the biggest human resource challenges the NEB faces in the next 5 years?

THE
GRAHAM | LOWE
GROUP