



# People

We will work together to create an environment that promotes a passionate commitment to realizing our vision and to VIA's business success.

The success of passenger rail is based on VIA's ability to provide customers with something more than transportation: a travel *experience* that sets rail apart. Every key goal for the Corporation – revenue growth, enhanced train services, improved cost-recovery, and continued progress towards financial self-sufficiency – depends on this ability. And that ability depends on creativity, innovation, and *caring* – the fundamental human talents that people bring to the job.

This is evident in VIA's success in 2005. Virtually every service improvement discussed in this annual report is the direct result of suggestions contributed by VIA employees.

In the future, efforts to engage, recognize, value and reward talent will become more critical than ever before. Throughout 2005, VIA took concrete steps to make these efforts a meaningful part of its business strategy, and an integral part of day-to-day business practices.

## VALUING EMPLOYEE OPINIONS

A major step was the development of the *Moving Forward* plan itself. An unprecedented number of employees had the opportunity to influence the framework that will guide the Corporation into the future. When VIA's executives and senior management met with employees in 2005, the dedication of VIA's people was very clear. They are committed to excellence in passenger rail, to performing their jobs well, to improving rail services, and to the success of the Corporation. That commitment is reflected in the Strategic Plan.

The Corporation's effort to engage and listen to employees is also evident in the results of employee opinion surveys. For example, the 2005 survey showed that internal communications, especially between senior management and staff, had improved significantly. This reflects VIA's on-going efforts to discuss the Corporation's vision, mission and values, to keep employees informed about business challenges, and to provide better feedback on both individual and corporate performance.

Regular employee opinion surveys have proven to be a valuable tool to help create an environment where people feel empowered to influence the success of the Corporation. For example, the VIA uniform was fine-tuned in 2005 in direct response to employee feedback. New and modified garments and a more efficient allotment system are being implemented in 2006.

Departmental managers met with their staff to discuss the 2005 employee survey results, and each department developed action plans based on the feedback provided.

## MANAGING VIA'S TALENT

VIA is transforming the role of people management within the organization to ensure a more strategic focus on developing the talent of VIA's people, and aligning that talent with the strategic goals of the Corporation.

The goal of this transformation is twofold. The first is to ensure that VIA has the people with the right knowledge, skills and experience to sustain the long-term success of the Corporation. VIA's involvement in an executive development program at McGill University attests to this commitment. Strategic talents are identified to participate in the Advanced Leadership Program, where as a group they make

concentrated progress on a complex issue identified as essential for the organization. VIA's customer focus philosophy was developed and implemented out of the enriched international working environment offered by this program.

The second major goal is to further strengthen VIA's human resources. Its people are the foundation for VIA's competitive advantage in the marketplace. The processes of hiring, training, promoting and rewarding talent are all being more precisely managed to create an organization where every individual can succeed by directing their creativity and innovation towards the success of passenger rail.

This realignment of people management is a long-term undertaking, and VIA made substantial progress in 2005. A range of new e-Learning tools have been developed, giving employees convenient access to well-designed learning modules, focusing on skills that are linked to corporate objectives. VIA also began to identify and define corporate competencies that are essential to the Corporation's business strategy. These will provide the basis for future training and career development programs, hiring practices, and succession planning.

VIA has developed and reviewed a comprehensive succession plan which identifies key talent gaps the Corporation will face in the future, as more employees approach retirement. Development plans are being prepared for individuals within the company to fill these gaps, and priorities established for bringing new talent into the organization.

## **REWARDING PERFORMANCE**

VIA has realigned total compensation programs for management personnel to ensure that it is both competitive with industry standards and effective in achieving corporate objectives. Cash compensation programs are closely linked to performance, and a flexible benefits plan will be introduced in 2006 in order to better meet the needs of VIA's new and current workforce.

The performance management system, used by managers to set annual objectives, to measure progress and to reward performance, has also been refocused to ensure that individual and departmental objectives are always clearly aligned with the strategic goals of the Corporation. The performance management system will include a process for self-assessment against corporate competencies in 2006, to support the strategic development of VIA's talent.