

## Emera Increases Employee Engagement: Stock Value Reaches All-Time High

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**Sarah MacDonald,**  
**VP Human Resources at**  
**Emera.**



**T**aking action on employee survey results helped Emera align its employees with business objectives, leading to:

- > **dramatic increase** in employee engagement
- > **increase** in customer satisfaction ratings
- > **stock price hitting** all-time high while costs stayed flat
- > **decrease** in union grievances

### Recommitting to Values

Emera Inc. (EMA-TSX) is an energy and services company with 2,200 employees, 570,000 customers, \$4.0 billion in assets and a \$2.0 billion market capitalization.

The core business of Emera is electricity. The company operates two regulated utility subsidiaries in northeast North America - Nova Scotia Power and Bangor Hydro-Electric - that together account for over 90% of revenues. In addition, Emera owns a 12.9% equity interest in the Maritimes & Northeast Pipeline, which delivers Nova Scotia's offshore natural gas to markets in Maritime Canada and New England.

As a complex public organization that provides essential services in both Canada and the US, public perception plays a key role in Emera's ability to serve its communities effectively. When Emera noticed a number of internal issues - decreasing safety statistics, divisions between union and non-union employees, issues with engagement - were affecting public perception, Emera took stock and immediate action.

Returning to their most highly-regarded values - a positive work environment and a commitment to employee engagement - as the foundation for taking action and making improvements, Emera defined their future organizational success on three measures:

1. **valuing the perspectives** that employees share on the annual survey
2. **developing and implementing** local area action plans
3. **Identifying** statistically significant improvement in targeted areas of the annual survey

### The Plan: A Whole-Organization Approach

Early in 2002, Emera began a concerted effort to change the culture of the organization to one that involved aligning employees to the same overall goals and objectives as the business.

Ms. Janice Sutton, HR Communications Administrator at Emera, explains: "A group of employees from all areas of the business, all regions of the province, including management and non-management, union and non-union, came together to identify what we wanted the future to look like, what the potential roadblocks to achieving this might be, and what actions we needed to take to reach that future state."

Emera decided that any action they took had to involve employees in order to achieve successful cultural change. "Employee teams were formed to hash out the details of the work that would set us on the path, and a group of employee representatives - including management and union executives, as well as employees from all levels - was formed to oversee and report to all employees on the action teams' progress. This cross-representational group formed the Employee Council," explains Ms. Sutton.

"To get to action, however, we knew we needed the right process for establishing an employee engagement baseline and the right mechanism for collecting the data first," Ms. Sutton further explains. "Although a number of self-service surveys exist on the web, we knew we wanted something more robust, with consulting support, to ensure the questions were good from the get go, yielding relevant and targeted results from which we could build relevant and targeted action plans."

"Based on their survey management and analysis expertise, as well as their focus on engagement issues, we chose ClearPicture Corporation to help us measure progress through our annual employee survey," Ms. Sutton concludes.

### The Challenges and The Solutions

In the beginning of this process, each company within Emera had its own survey program. But the data from these disparate surveys was not well combined. As a result, Emera did not have a sense of the overall company results. ClearPicture helped Emera get to a point where every company within Emera took the same survey with the same metrics applied across all divisions, enabling Emera to make key comparisons.

Participation rates are vital for the accuracy of survey results, but getting participation levels up can be a challenge. In 2002, participation rates at Emera were at their lowest at 72%. ClearPicture was called upon to assist in establishing a more refined survey invitation process. By putting a defined

process in place, and working directly with the Emera IT team to get up-to-date employee email lists for each Emera company, ClearPicture was able to send each and every Emera employee an invitation to the survey.

Since some of Emera's employees are field based and not online, ClearPicture designed and implemented a paper survey program that Emera could easily run. ClearPicture was able to seamlessly merge the paper and online results, thus providing the action teams a more accurate view of the employee base. Over time, Emera moved from paper-based surveys to online surveys.

ClearPicture's guarantee of anonymity to all employees helped create an environment in which employees were more likely to give honest answers to survey questions. Clearly, honest answers would deliver a more accurate picture of the company culture. This accurate picture improved Emera's ability to develop more relevant action plans built from that picture.

Going electronic resulted in a number of benefits: quicker results turnaround, live participation rates that could be monitored by anyone given proper authorization, greater trust in the anonymity aspect, and cost savings. The participation rate has continued to climb, reaching 82% in 2006.

Managing both union and non-union employees is often a challenge for companies. One of the main features of Emera's program is the inclusion of the union reps on the survey committee. The survey itself provides a demographic question asking if employees are unionized, enabling Emera to see if union issues are similar to those of non-union, or to those of management employees, providing another level of comparison that has helped Emera reach its level of engagement and success.

Keeping the survey relevant over time is also a challenge since, like most companies, Emera is dynamic. Every year, as part of the survey process, ClearPicture and Emera review the questions to see if they require updating. ClearPicture developed the survey based on the areas that Emera's groups of employees defined as gaps. Questions were crafted to be very specific to Emera's needs, and continue to evolve to meet changing needs and priorities. ClearPicture also brands each survey for each Emera company, helping employees know that the questions are specific to their company, and,

therefore, relevant.

Based on changes over the previous year, one or two questions are generally removed and replaced with new ones. Since consistency across years is vital for year-over-year comparisons, however, ClearPicture also ensures most of the same core questions remain for the purposes of tracking trends. This review process keeps the questions relevant, yielding the most useable information, while ensuring stability of other questions in order to provide comparison points for progress over time.

"The key to ClearPicture's survey management approach," explains Ron Stewart, President and CEO at ClearPicture, "is the high degree of flexibility we can bring to each client engagement. This flexibility is designed through the expertise of our people and their skills in the survey process, and then delivered through the power in our survey management software application. Emera is able to take full advantage of this flexibility to enable the execution of a survey program that meets their unique needs. Leveraging ClearPicture's expertise and automation provides them a cost-effective model for doing this, while at the same time ensuring their unique objectives are met."

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### Taking Action for Success

ClearPicture's analysis of Emera's employee survey data and year-over-year trends, as well as ClearPicture's ability to understand Emera's current business environment, furnished Emera with the kind of feedback upon which they could build their action planning direction.

"The Employee Council took ownership of the survey results and the action planning process based on those results, reporting to all employees the successes and gaps that the survey exposed," explains Ms. Sutton.

"Perhaps most importantly, ClearPicture identifies the key drivers for our organization each year which are those areas that, if we put our attention and energies to, will have the most significant impact on employee commitment," says Sarah MacDonald, VP Human Resources at Emera.

The information unlocked by the key driver analysis helped drive the action plans and guide the decision making process for prioritizing areas of concern.

Ms. MacDonald adds, "Each year, ClearPicture's analysis has substantiated Emera's perceptions of the areas needing focus. The analysis identifies what Emera is doing well and what we need to focus on; what our participation levels mean and which demographics are least - and most - engaged."

### Emera's Stock Value Skyrockets

"While our annual survey revealed incremental improvements along the way - and dips in some areas where action planning was not as strong, or communication not as effective - it wasn't until the fall of 2006 that Emera saw the real impact of 'staying the path,'" enthuses Ms. Sutton.

Involving employees in the action plans through the Employee Council, and ensuring all successes were effectively communicated throughout the company at regular intervals, resulted in a huge increase in engagement scores in a two-year period. Employee commitment scores Emera-wide increased 11% in 2006, and the 2005 commitment scores increased by 3% over 2004. Other benefits included a decrease in union grievances, improvements in safety statistics, and, most significantly, Emera's stock value hit an all-time high. In June 2006, the stock was just below \$18. In December 2006, it hit just shy of \$23.

"We see a very clear link between our increased stock value and the actions we took to improve engagement. There is no question in our minds that an engaged workforce and a healthy company culture has benefits beyond the values we hold as a company regarding culture," adds Ms. MacDonald.