



The Conference Board
of Canada

CASE STUDY 22

*A core product of the
Employability Skills
Forum, National
Business and
Education Centre*

Program

*Investment in employee
training*

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Name of Program

*Capability
Development Program
for all Imperial Oil
employees*

Skills Developed

- Academic
- Personal management
- Teamwork

Developing employees' employability skills to build
competitive advantage

IMPERIAL OIL LIMITED'S CAPABILITY DEVELOPMENT PROGRAM

Developing All Employees' Skills for Competitive Advantage

BY KURTIS KITAGAWA & DOUGLAS WATT

December 1999

Imperial Oil Limited is developing the generic employability skills of all of its employees by providing them with timely education and training, challenging work experiences, coaching and counseling and opportunities for independent study.

Overview

Imperial Oil has, for many years, maintained a strong focus on supporting the training and development of its employees, and the company views this long-standing tradition as a key contributor to its business success over the past 118 years.

In the early 1990s, Imperial recognized the need to review its approach to training and development, to ensure that the company had the capability to respond to the increasing rate of change in its competitive environment. As a result of this review, the company recognized the need for an integrated, consistent and disciplined approach to employee development, with development and training activities being closely aligned with business strategies and priorities.

Imperial's renewed focus on employee development was based on a key insight: neither technology nor capital by themselves

could ensure sustained competitive advantage; the only source of long-term sustainable competitive advantage is the capability of its employees. Imperial realized that if everyone in the industry was struggling with similar competitive challenges, their success ultimately depended on the ability of their employees to execute the day-to-day fundamentals of the business better than the rest of the industry.

To put it another way: Imperial realized that the real business driver—the link connecting its strategic objectives with its training and development plans—is managing and developing employee competencies to achieve flawless execution of business fundamentals. Henceforth, training at Imperial would be consistent, integrated across the organization, and deliberately focused on developing business-required competencies. To do this, Imperial implemented a disciplined capability development process, with the objective of developing its employees' skills, faster, better and more effectively than its competitors. Imperial saw this as a win-win situation for the company and its employees, with individual and corporate success both depending on continuously enhancing their employability skills.

Through its capability development system, Imperial identifies, assesses and

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develops generic, technical and job specific skills in three primary areas:

- Core competencies, which apply to all of Imperial's employees—the basic skills and knowledge employees need to work in any job at Imperial
- Job-family competencies, which are unique to each job family / discipline—largely technical skills and knowledge
- Management competencies, which are specific to those employees who are accountable for the work of others

The core competencies or basic skills and knowledge employees need to work in any job at Imperial closely parallel the skills identified in the Conference Board of Canada's Employability Skills Profile and fall into seven main groups:

1. Ability to learn, which Imperial regards not only as the key to managing change but also as the foundation for the remaining six skill groups
2. Business literacy, by which Imperial means having an understanding of business fundamentals
3. Communications, which involves listening, speaking and writing skills
4. Thinking skills, which includes solving problems and exercising judgment
5. Self-management, which involves taking responsibility and acting ethically
6. Group effectiveness, which involves working effectively with others in group situations
7. Leadership & influence, which involves exercising influence in leading oneself or others in one's work units

Imperial provides its employees with self-assessment tools to enable them to assess their skill development priorities in conjunction with input from supervisors and others. The company also provides its employees with a suite of learning options in each core competency area, including classroom training, self-study options and on-the-job learning suggestions. Employees and their supervisors choose the appropriate learning option to meet a given employee's needs based on budget, time and the employee's preferred mode of learning.

Imperial uses its core competency framework in other ways as well, in addition to its use in this formal development process. For example, Imperial campus recruiters assess job applicants against these core competencies using behavioural interviewing and other methods to ensure that new employees possess the basic employability skills that the company requires. Imperial also uses the framework as a coaching tool in career development discussions and in its business–education partnerships to describe to students and educators the skills the company needs today and in the future.

At Imperial, developing a lifelong learning culture is a responsibility individual employees share with their managers and the company as a whole.

Individual employees have the primary responsibility for:

- Managing their own development and learning, with the active support and involvement of their managers
- Reviewing their own skill building plans with their managers
- Obtaining company endorsement for skills development related expenditures

Managers are responsible for:

- Endorsing skills assessments and capability development plans for individual employees
- Ensuring these are aligned with business needs
- Providing employees with information, resources and support to achieve their plan
- Providing employees with a reality check on their career goals and skills development plans
- Sponsoring employee participation in appropriate skill building opportunities

Groups served

- All employees at Imperial

Objectives

Through its capability development system Imperial aims to:

The Employability Skills Forum Mission

We are committed to improving the productivity and quality of life for individuals, organizations and society by enhancing the employability skills of the current and future workforce of Canada.

This study was made possible through funding by members of the Employability Skills Forum.

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- Identify the competencies, or skills and knowledge, that its employees need to execute their job responsibilities within Imperial's various departments and divisions
- Assess employees' current levels of proficiency or degree of competency in each of these skill and knowledge areas
- Provide skill building opportunities for employees to close any gaps between employees' skills and knowledge and the skill and knowledge levels they need to do their jobs well
- Develop a lifelong learning culture to position individual employees and the company as a whole for personal and career success

Activities

To implement the capability development process Imperial Oil produced a *Capability Development Toolkit* (available through the company's intranet) and a seven step process for managers and employees — common across the organization — to follow as they develop and follow through on individual skill building plans. This annual process involves a cycle of needs assessment, planning, doing and measuring results:

1. Department heads defining skill requirements and updating skill profiles for specific jobs
2. Managers and employees jointly measuring employees' skill levels against job requirements and identifying any skill gaps they may have
3. Department heads aggregating employee skill gap data and preparing departmental skills development plans
4. Employees and their managers finalizing individual skill building plans to address gap areas
5. Employees implementing their individual skill building plans with the support of their managers
6. Employees assessing their actual skill development in collaboration with their managers
7. Department managers stewarding execution of departmental skills development plans

A senior management committee responsible for HR matters at Imperial Oil also:

- Conducts an annual review of the effectiveness of the company's capability development process
- Reviews Imperial's core competency framework and core curriculum to ensure these are current

Resources required

- Employee and supervisor time to prepare annual skill assessments and development plans
- Management commitment and time to review plans and program effectiveness periodically and to ensure that profiles of competency requirements are current and relevant
- Training time for each employee, depending on priorities and skill gaps
- A system (perhaps computer-based) to manage information on competencies and learning needs

Achievements/Outcomes

Benefits

Employees

- Enhance their generic employability and job specific skills to help them progress in their jobs
- Provide open access to information about the competencies Imperial expects in its employees and the training options available to develop those competencies
- Take responsibility for their own skill building and career development, with the support of their supervisor
- Use company-provided tools and programs to assess their skills, identify learning needs, and develop and implement learning plans to continuously enhance their skills
- Receive constructive feedback on a regular basis to assist in identifying and prioritizing their skill improvement opportunities
- Set specific, achievable, measurable, job-related skills development goals

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*Our grateful thanks to
our interviewee:
Brian Daly*

- Understand their preferred learning style and learning methods

Imperial Oil

- Links training with business priorities by focusing on the development of competencies that are essential for business success
- Provides a mechanism by which the company can address learning needs associated with evolving business priorities and conditions
- Identifies the skills its employees need to achieve business objectives
- Identifies actions it needs to take to close skill gaps among its employees
- Develops employees for the long term, to ensure that the company continues to have qualified people to sustain and grow the company into the future

Innovation

- Identifying, developing and assessing those skills and knowledge the company values and expects all of its employees to possess, regardless of the specific job they hold or the department in which they work
- Integrating corporate capabilities on the basis of a common foundation of skills and knowledge among employees on which job specific expertise is built

Keys to Success

- Ensuring employees are committed to continuously enhancing their skills
- Investing strategically as a company to provide a framework and support for continuous employee skill development and assessment

Greatest challenge

- Remembering that the purpose of identifying and assessing competencies is to provide information to guide decision making relating to training and development (in other words, to keep in mind that competency assessment is a *means* to determine learning needs, rather than an *end* in itself)
- Ensuring that profiles of competency requirements for specific jobs are kept at a relatively high level and are not overly detailed, to enable efficient use by employees and managers without excessive paperwork or bureaucracy
- Ensuring that competencies are described in measurable and meaningful terms
- Ensuring that middle managers understand and buy into the overall program
- Focusing on identifying key development priorities rather than trying to address every gap area

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NBEC Publications Relating to Employability Skills Development and Assessment

Employability Skills Profile

Science Literacy for the World of Work

Understanding Employability Skills (Apr. 99)

The Economic Benefits of Improving Literacy in the Workplace, 206-97 Report.

Enhancing Employability Skills: Innovative Partnerships, Projects and Programs, 118-94 Report.

Linking Teachers, Science, Technology and Research: Business and Education Collaborations That Work, 144-95 Report.

1998 100-Best Partnerships IdeaBook

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1996 100-Best Partnerships IdeaBook