



Case Study **May 2002**

Excellence in Workplace Literacy, Large Business Winner, 2001 The North West Company

OVERVIEW

The North West Company (NWC) is the leading retailer of food and everyday products and services to remote communities across northern Canada and Alaska. NWC is also the largest private sector employer of Aboriginal people in Canada. With stores geographically dispersed in remote communities across the North, the company faces special challenges with regard to logistics, technology and access to education.

Workplace literacy has been an important part of NWC's training program since 1992. The company's multi-faceted approach to literacy and training focuses on: communication, computer literacy, and numeracy, reading and writing skills. The North West Company uses literacy assessments, needs assessments and feedback surveys to create customized training programs for its employees.

This program was selected for an award because of the improvements it brought, not only to employees, but to the communities in which they live and work. Also worthy of special attention is the effort made to increase the number of Aboriginal employees qualified for management positions. Finally, this

Effective practices in providing training and supporting workplace learning.

A core product of the National Business and Education Centre

Name of Program
Workplace Literacy

Program
Workplace

Date Established
1992

Skills Developed
Fundamental
Personal Management
Teamwork

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organization's training program was chosen because it is a replicable model for other companies working in the North.

OBJECTIVES

The overall purpose of the training project was to determine the best approach to closing the gap between the skills workers required, and the worker skills available in the NWC's Northern stores by:

1. Increasing the technical knowledge of employees through workplace education and training, using detailed training plans;
2. Overcoming the barriers that prevent Aboriginal employees from advancing into management positions;
3. Making learning accessible to various literacy levels by offering a variety of training methods to upgrade basic skills, using physically and emotionally centred learning;
4. Addressing all areas of literacy, including interpersonal, technical and enabling skills that increase overall employability; and
5. Promoting continuous learning and upgrading through educational institutions, by offering tuition reimbursements and recognition of achievements.

TARGET GROUPS

The NWC training program focuses on grooming employees for managerial roles by improving workplace literacy and basic skills. To enable the company to produce a comprehensive training program, NWC received provincial and federal government funding to study job skills in store operations. Approximately 100 employees and managers were surveyed in the study, which confirmed that many NWC employees would benefit from literacy training.

ACTIVITIES

First, the company conducted a needs assessment to find out which job skills were required. Each job was assigned an International Adult Literacy Survey (IALS) literacy level, as a minimum criterion. Human Resource Development Canada's Essential Skills profile was used to assist in the job analysis process.

Then, literacy studies, individual needs assessments, and 360-degree feedback surveys were conducted to help tailor training programs. Armed with this information,

The North West Company was able to identify training gaps and develop training tools to address a variety of learning styles. Delivery methods and tools included one-on-one training, on-the-job training, company training manuals, training videos, on and off-site workshops and courses, as well as communications videos.

RESOURCES

NWC's training project began as a partnership between The North West Company and various federal and provincial government bodies. Training consultants were hired to develop management performance standards that were used as the basis for literacy gap analysis. Finally, support and commitment from all levels of The North West Company led to the successful implementation of NWC's training program.

INNOVATIONS

1. NWC conducted an Enabling Skills Survey of 100 employees. The gaps between employees' current skill levels and the skills required for each position became clear.
2. Detailed training plans were created for each store-level position. A variety of learning tools were customized to the learning styles of the Aboriginal population.
3. Technical trainers from 'Best Practice' stores and the corporate office travel to remote store sites for on-site workshops and hands-on learning.
4. Management Training programs were tailored to needs. The project used a 360-degree feedback survey to identify the gaps in management soft skills. Training candidates, their assistants, and their managers completed an assessment of each candidate before the course. The study gave rise to the development of a Manager's Skills Profile, which listed the 14 essential skills of an NWC store manager.

BARRIERS

Designing training and putting it into place for an organization as large as NWC presents several challenges. The key barriers are the vast geographic area covered by The North West Company family of stores, cultural differences among the workforce, and the nature of the store operations.

GEOGRAPHIC

- The cost of delivering training over a wide geographic area, in remote communities, and across several time zones is high. A five-day training course in northern Canada costs approximately \$3,300 per employee.
- Approximately 63 per cent of the company's workforce is Aboriginal; many live in remote communities with limited access to post-secondary or technical training institutions. English as a Second Language (ESL) and literacy training are needed in most of these communities.
- For people relocating from southern Canada, adapting to a northern lifestyle, without the support of family or friends, is difficult and has an impact on employee turnover.

CULTURAL

- Training must be specially designed to meet the needs of diverse employee populations and cultures, including Inuit, First Nations and Francophone.
- Approximately 50 dialects are spoken by NWC's employees. Aboriginal languages have an oral tradition, with the result that some employees do not read or write their own languages or English.
- Some cultures tend to resist management responsibilities, such as managing finances and giving direction to others.

OPERATIONS

- In some cases, limited access to further training in the community prevents employee development.
- Lack of funding for workplace education slows down the development process. With more funding, NWC could accomplish in five years what would otherwise take ten.
- The great diversity of store services offered to the public requires that NWC provide a wide range of training to employees.
- With such variables as the type of work and location, it is difficult to define universal measures of employee development.

SOLUTIONS/KEYS TO SUCCESS

The ability to measure effectiveness is key to recognizing the value of training efforts. NWC measures the success of its employee training initiatives through:

- The number of Aboriginal employees in management;
- Sales growth;
- Earnings growth;
- Manager turnover and replacement costs;
- Length of service;
- Loss prevention; and
- Customer satisfaction.

NWC's training initiatives have resulted in demonstrable improvements in these areas. Some key features of the company's training programs include:

- Top-down corporate commitment to training;
- The 'Best Practice' stores approach to promoting internal excellence;
- On-site training adapted to local needs;
- Informal mentoring;
- Flexible, meaningful training programs;
- Incorporation of best practices from literacy and adult education;
- The use of translators to provide training in the first language of employees; and
- Recognition that the workforce should reflect the local population at all levels.

OUTCOMES

The company believes that effective training and workplace literacy make good business sense. The practical impact includes well-trained, motivated employees, increased productivity, and reduced turnover costs. As a direct result of training, employees have become more efficient, and more Aboriginal employees have been promoted to managerial positions than ever before.

As a result of the 'Best Practice' stores designation and follow-up, stores are learning efficient practices from each other. As more 'Best Practice' stores are developed, the benefit of their experience will spread across the vast network of The North West Company family of stores.

Customers of the company report that, since the training initiatives began, they have noticed an improvement in some employees, and that the "stores are run better". On the whole, their perception of the stores' operations has improved. A community-based approach to providing services also has an impact on the community. Partly as a result of the company's

training initiatives, northern communities are experiencing positive trends, such as more employable workers, reduced crime rates, and a stronger commitment by young people to staying in school.

IMPACTS AND BENEFITS

NWC realized a number of benefits from its employee training initiatives:

- Stores now have well-trained, motivated employees, who work under the direction of skilled management teams;
- Increased productivity and profits;
- Improved employment prospects for employees;
- A significant increase in the number of Aboriginal managers since 1992;
- Lower managerial turnover costs;
- Better recruitment and training of employees through literacy and managerial assessment tools;
- Consistent workplace standards for all store positions;
- Innovative training partnerships with government bodies; and
- An improved perception of NWC stores in local communities.

USE AS A MODEL

The model of employee training used at NWC is well-suited to larger organizations that deal with a variety of markets and geographic locations. The customized training approach has resulted in a commitment to developing training tools that reflect the workplace and meet the needs of employees and the communities. This program could be replicated by other companies working in the North.

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The North West Company
by *Alison Campbell*

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