



QUEENSLAND RAIL

INTERVIEW SERIES CAPTURING WHAT'S WORKING IN LEADERSHIP DEVELOPMENT

QUEENSLAND RAIL AT A GLANCE

- Queensland Rail has been operating in Queensland for more than 145 years.
- In 2009, the State Premier of Queensland, Anna Bligh, announced the separation of Queensland Rail's passenger services from the coal and freight businesses. "Queensland Rail" is the name of the new passenger business, which remains in the ownership of the Queensland government.
- With more than 7,000 employees, more than A\$6 billion in assets and more than 7,000 kilometers of track, Queensland Rail is a strong and powerful integrated passenger and rail infrastructure business.
- Queensland Rail runs more than 260,000 scheduled services and earns annual revenue of more than A\$1.8 billion. Its business includes long distance trains, rail holidays and travel centers, and management and access to the South East Queensland and regional freight networks.

EXECUTIVE SUMMARY

Queensland Rail had separated from one of the country's largest rail and transport enterprises, marking the beginning of significant growth and opportunity for the new rail organization. In this time of opportunity and growth, the organization needed strong, visible and capable leaders to drive business opportunities and attract and retain key talent. The organization had a brand new executive team and was also looking at changing its culture. The divestiture also meant that some leaders were promoted as much as two levels up and needed strong capability development support.

The organization developed a leadership development framework based on the levels of the organization's talent pipeline. The project included the design of a leadership strategy and assessment and development methods for each level of the talent pipeline. Overall, the organization observed that senior leaders are now better able to work at the right level and focus on the right behaviors to deliver strategic business outcomes.

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SETTING THE CONTEXT

As a people business, Queensland Rail recognized the importance of each individual's contribution to delivering a safe and efficient rail network.

In the past, the organization had "a traditional view of leadership development," providing a catalogue of leadership courses that provided value at either an individual or an organizational level; however, these courses were not built around a strategic plan, were not progressive by level and did not assess and cultivate the total skill set required to drive business outcomes.

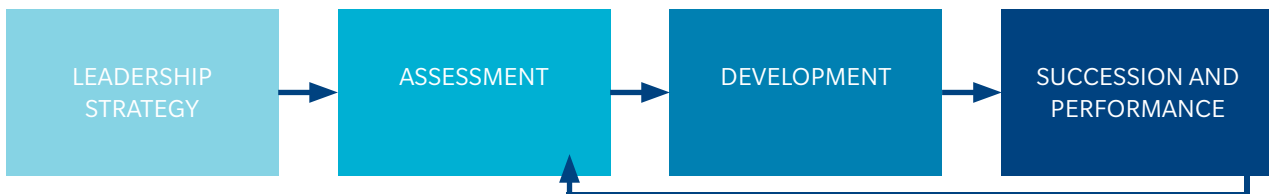
The organization understood that future success depended on having the right leaders in place at the right level to drive the business strategy. Fierce competition for leaders in the Australian market made it even more important to "build" leaders from within to create a healthy leadership pipeline.

Key questions needed to be answered if they were to create a "bench" of future leaders:

- What are the leader competency requirements at each level in the organization?
- How do we support our leaders to work at the right level?
- How do we support our leaders to create growth and drive our business outcomes?

DESIGNING THE SOLUTION

The organization developed a leadership development framework based on the levels of the talent pipeline, which represents the organization's plan for building technical and leadership capability at each level of the organization: first-level managers (lead others), mid-level managers (lead experts and leaders), senior managers (lead function) and executives (lead business). The project included the design of a leadership strategy and assessment and development methods for each level of the talent pipeline.



1. Leadership Strategy

The first objective was to create a clear link between the organizational strategy and leader requirements/competencies. Working with Mercer, the organization interviewed its executives and business leaders across the organization to understand the business strategy and what they viewed as the critical leadership competencies required to meet strategic and operational requirements over the next three years.

Consolidation of these interview findings, coupled with access to Mercer's library of leadership competencies by level, led to the development of Queensland Rail's unique leadership competency success profile, which is aligned to the organization's strategic objectives and the talent pipeline. This profile defines the organization's most critical leadership competencies at each level of leadership. The competencies are clustered around three key areas of focus for leaders, as shown on the next page, and were validated and refined through consultation with business leaders across the organization.

Core capabilities		
Displays personal effectiveness	Builds culture and capacity	Delivers business outcomes
<ul style="list-style-type: none"> • Displays personal integrity • Displays thinking and learning agility • Displays emotional maturity and resilience • Communicates with impact 	<ul style="list-style-type: none"> • Collaborates and creates relationships • Inspires, encourages and influences • Displays change agility • Grows and develops self and others 	<ul style="list-style-type: none"> • Delivers service and safety • Displays commercial acumen • Delivers strategic outcomes • Achieves performance and results

2. Leadership Assessment

The next step was to design an assessment approach to measure the strength of the organization’s leadership talent pool against the required level of capability at each level of leadership. Depending on level, the recommended assessment approach includes a customized behavioral event interview, a customized 360-degree feedback tool, and the Bar-On Emotional Quotient Inventory. An implementation roadmap was developed to communicate the timeline of assessment for each level of leadership.

For the senior manager level (the first level to undertake assessment), participants were assessed via a customized behavioral event interview – a structured one-on-one discussion designed to assess current capability against required capability.

Capability: Displays thinking and learning agility	
<p>QUESTION</p> <p>Tell me about a particularly complex, ambiguous or unfamiliar problem you have worked on.</p>	<p>SAMPLE PROBES:</p> <p>What was the context? What were you trying to accomplish? Describe the specific actions you took. What contingencies did you plan for? What was your thinking at the time?</p>
<p>Begin by giving me a brief snapshot of the event with the beginning, middle and end.</p>	
<p>When was the event? How long did it take? What was the outcome?</p>	

The interview results provided:

- An understanding of individual capability gaps to help leaders evaluate where they are, clarify needs and goals, and create targeted individual development plans
- An understanding of collective capability gaps to inform program design
- The necessary baseline in order to track development of competencies over time

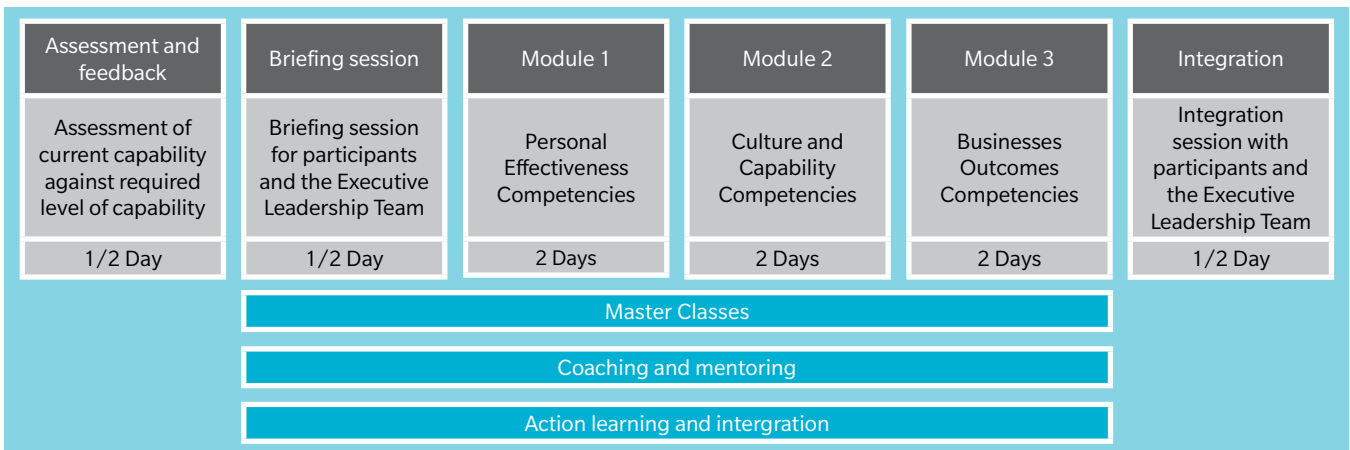
3. Leadership Development

The organization then developed a three-year leadership development roadmap that outlines the leadership development approach to best suit the development of leadership at each level of the pipeline. Working with Mercer, the organization held workshops with key stakeholders across the business to obtain input and buy-in. Mercer also conducted a one-day training session with HR on the proposed assessment and development approach to engage, consult and transfer skills.

The complete leadership development program was then delivered to senior management. The program was designed to allow senior leaders to participate in targeted development activities that were matched to business priorities and development needs identified in steps 1 and 2.

The leadership program was designed to include:

- An initial briefing session with participants and the Executive Leadership Team to explain the overall process
- Three facilitator-led two-day core leadership training modules (built around the three clusters of competency)
- Four targeted half-day Master Classes (based on specific development needs identified during assessment: Strategic Foresight, Leading Diverse Teams, Driving Financial Performance, and Risk Management)
- Mentoring provided by managers, who were equipped by Mercer with the skills and tools to deliver a structured mentorship program
- Coaching provided by expert Mercer coaches
- Action learning and integration built into the modules
- Integration session to share the program learnings and improvements



To provide an opportunity for participants to transfer learnings back into the workplace, the Core Modules and Master Classes were spaced out over a 10-month period.

MAKING AN IMPACT

The leadership development framework provided a strategy and methodology for long-term, sustainable leadership development across all leadership levels of the talent pipeline.

The framework delivered:

- Clear descriptors of leadership competency at each level of the talent pipeline aligned with the business strategy
- Agreed processes, methodology and tools for diagnosing current leadership competency, development priorities and development gaps
- A roadmap that describes the core development interventions to support competency development at each level
- Strategy and processes for coaching and mentorship to support development
- Clear performance metrics to assess the success of the leadership development programs

A review of the effectiveness of the Senior Leadership Development Program found that the program was having an impact at multiple levels:

- Ninety-one percent of participants reported that they liked the program a great deal.
- Ninety-seven percent of participants reported that they learned from participation in the program.
- Eighty-seven percent of participants reported improvement in capability as a result of participating in the program; repeat behavioral event interview assessments for selected competencies provided evidence of significant competency improvement.
- Overall, the organization observed that senior leaders are now better able to work at the right level and focus on the right behaviors to deliver strategic business outcomes.

The next steps for the organization are to:

- Implement the leadership assessment and development approach for other levels of the talent pipeline, as described in the three-year roadmap
- Integrate leadership into succession planning and career pathing
- Evaluate the long-term impact of the programs on service delivery and organizational outcomes

LESSONS LEARNED

- Get executive buy-in. The CEO very much understood that strong leadership was needed for integrating the organization. However, other executives did not understand the link between leadership and culture, so they tried to run them in parallel – which became a missed opportunity.
- Be mindful of your organization's maturity. The leadership development journey was undertaken when the organization was still stabilizing, and executives need time to understand their (new) roles and the level they are supposed to work at.
- Understand the organization's maturity around feedback: "The only thing we had done previously was a Life Style Inventory; it was easy to hide, and it was important to have coaching interventions."

ADVICE FOR OTHERS

- Leveraging the people who are raving about the program can help give really good outcomes. This can help others get beyond their individual feelings about the assessment results and attend leadership development programs.
- Hold an integration day at the end of the program to get all the participants together to reflect on their learnings – it's a chance to give the program the right airplay.

MERCER WOULD LIKE TO THANK THE FOLLOWING FOR THIS INTERVIEW:

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