# Leadership in the Transport Industry

Virtual Seminar Series October 2014 – Leadership in the Transport Industry

Transdev – Mobility Inspired by You

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**Rod Maule:** What experiences in your life have really led you to be such a strong advocate for safety?

**Jonathan Metcalfe:** Before coming to Australia in early 2008 I spent 10 years in the UK rail industry and had the opportunity to experience a lot of change during that period, but as part of that time I also saw first-hand two very serious rail accidents and saw the consequences and the effect of those on the people directly affected and the people who were actually on board those trains. And also on the employees of the company that were involved and their families. And so that experience really is what's given me my own real drive and passion to do what I can to really hopefully create a strong safety culture.

**Rod Maule:** What were the longer term effects of the those incidents on the business?

**Jonathan Metcalfe:** Well, the honest answer to that is that I actually don't think that the individuals affected really ever get over it. Even the business itself, the tail of that still exists, certainly in memories and in terms of the way that it shaped the future of those organisations and the safety culture, and even the values of the organisation. But even the direct consequences in the immediate aftermath really sort of lasted years, not months.

**Rod Maule:** What effect has that had on Transdev and how have you applied that in Transdev over recent years? Can you talk us through how that started at Transdev and what are the sort of key things that you've been trying to do with the business here?

**Jonathan Metcalfe:** Well, I guess what sort of became clear back in around about 2009-2010 when I really sort of started out in this role was that really the safety performance to be very honest about it, was quite lacklustre. It wasn't bad. Our public record of safety was good but our internal record of employee accidents was nowhere near as good as I thought it should have been. And so we set out really on a very clear mission to do something about that, and to really try to create a focus to put safety right at the top of the agenda, alongside everything else that we do, be that customer service, operational performance etcetera. Obviously, it required quite a lot of energy and direction but actually once we got some momentum going, we started to make some really quick inroads and see some really strong improvements in safety performance actually very quickly.

**Rod Maule:** What were a couple of those key initiatives that really got people engaged and drove some of those early wins in your opinion?

**Jonathan Metcalfe:** I think the first thing was making it sort of really serious with the leadership team that safety was number one. So, every senior manager has got safety as one of their number one core objectives with some clear measures and targets. And then it was really about trying to create a safety culture around the organisation and getting out and about and talking to front-line employees about what safety meant for them. I've got a strong view which is that you can have as many policies in the world as you like and as many rules as you like, but that won't in itself actually create a better safety environment. You've really got to convince people that actually it's something that's important for them to want to really get behind.

So we did a lot of that. Myself and colleagues went out meeting frontline employees – toolbox type meetings - and actually just asking them their views and getting feedback, and that seemed to create a lot of impetus and quite a lot of enthusiasm.

**Rod Maule:** I know one of the big initiatives here was also pulling together the strategic framework in our puzzle and could you talk through how that process worked and what – how safety is interwoven into that sort of strategic vision?

**Jonathan Metcalfe:** As we've progressed over the years we've realised that it's one thing to start out with a message and hopefully create some enthusiasm, but as the business gets bigger, more complicated the demands and expectations in everyone has got greater and greater, then somehow you've got to make sure that the safety message is still - still retains its clarity and is actually well and truly placed alongside all of the other key values and messages that we also try to instil with our employees. So, the framework and the jigsaw has been a way of trying to make it easy. Trying to get the message across in a clear, consistent way, in a way that actually fits it alongside all the other things that we've got to deliver day-in, day-out as well.

**Rod Maule:** In Transdev like any organisation, there's no doubt you would have come across obstacles and barriers in the business and from people within the business to wanting to change the culture. How have you dealt with those obstacles and barriers in your time here at Transdev over the last few years?

**Jonathan Metcalfe:** Well I think the first thing to say actually is that the resistance to change has been far less than I would have expected. Actually there's been an overwhelming buy-in to safety. And in fact, when we do our employee engagement surveys, safety actually comes out as the number one issue that our employees feel positive about, and I think that's a hugely important piece of feedback. But of course yes, there are always hurdles and challenges. I think the first thing is actually getting the frontline managers on board and I think that’s simply because they’re very busy people and they've got to work out how safety fits in alongside all of the other things that they've got to deliver. And so it's important to spend time with them to help them work through that and work out how that also fits and balances.

Then I think it's about keeping things fresh because if you keep on repeating the same message and the same sort of story year-on-year, then it becomes stale. So then it's about how do you keep the safety theme new, alive. And so we've done lots of different things creating safety awards - what we call our "Safety Hero Award" to try and hopefully recognise and reward good acts of safety. We do things involving our employees to talk about their own safety stories on YouTube videos to their colleagues to make it personal and share some of their own more personal safety stories. And then I think it's really about how do you actually make sure that the safety message is well and truly understood alongside everything that people are doing in a business fashion, because we are a business at the end of the day.

And the thing I always say to everybody is "If we haven't got safety, we haven't got a business" and if something really very bad happened on safety then it could very, very seriously affect our business and our reputation and credibility, and that's quite a strong message I believe. But overall, I think I would say that pretty much everybody has bought into the philosophy. Of course some people are perhaps required a little bit more encouragement than others and if necessary, then yes, you have to be pretty forceful. If somebody has not really bought into it, then that really means that they're not in the right role, but we haven't really had to have too many of those sort of situations. But unless there's a real climate and a strong safety culture and then get staff engagement, then you're really quite often sort of fighting a bit of an uphill battle. And I think the benefit of involving the communications team on the whole safety crusade is really using the staff engagement process, the internal communications mechanisms, to hopefully get people enthused and excited. So, the combination of the safety team and the communications team has proven to be a really powerful way of doing that and really creating a culture because to me, safety is all about culture.

**Rod Maule:** About getting the executive team and the senior management out and about - maybe do you want to talk through the Engage Program and how that works, as well as maybe the Walk the Talk Program and how you've found that experience across the business over recent times.

**Jonathan Metcalfe:** Again, it really comes back to our frontline employees seeing that senior management care. So, we created this program called "Engage" about three years ago when myself and the exec team each year visit all of the businesses, try to get to every site, every shift and really sort of meet face-to-face the frontline employees quite often for barbecues at 6:00 o'clock in the morning before the drivers head off out on their shifts or when they come back in the afternoon, and really just listen to them. It doesn't have to be about safety - we talk about all sorts of things. But it's really about them seeing us, being able to ask us questions of any nature that they want to ask us, and then us hopefully learning from that and hearing what are their concerns, worries or things that they're very proud of and then trying to sort of further emphasise those things.

So, that's been powerful and then alongside that also encouraging colleagues to walk the talk, go and do a safety talk when they're in one of our depots or maintenance depots, and really just really looking to see "are there any things that we can improve?", "are there any areas where we can get better?" even just basic housekeeping within our depots. And again, it's more about the act of being seen to care. Yes, you learn things but actually it's about taking an interest.

**Rod Maule:** Is there any staff initiatives that have really sort of can demonstrate how the frontline staff have really taken a safety initiative and made a difference to the business that come to mind?

**Jonathan Metcalfe:** There are a number of examples that come to mind, but one in particular was an initiative by four of our Perth-based maintenance employees who designed a piece of equipment, an apparatus which means that in the event of one of our buses breaking down in busy traffic on a highway, they don't – the maintenance staff don't actually have to stand in the road alongside oncoming traffic, refuelling or restarting the vehicle. The equipment can be connected and actually the refuelling take place without any employees having to stand in the way of oncoming traffic which actually can be very, very hazardous and actually quite a dangerous situation. So that's a great example and we recognised and rewarded those employees for their idea and their innovation. We awarded them a Golden Star Award for Safety and they came to Melbourne and we presented and they were acclaimed in front of their colleagues across all of Australia and New Zealand in Transdev and we had a very nice celebratory lunch with them.

**Rod Maule:** Is there any particular business that you can think of that out of the 10 businesses we've got, they've all embraced safety, but is there any particular business that you think has really sort of taken it to another level?

**Jonathan Metcalfe:** Well, an example of that would be our Brisbane ferry business and the reason I say that is that the Brisbane River is a very busy river with marine activity as you know, and there have been a number of incidents over the years where - whether it be through other vessels, through canoeists in the wrong place on the river or at the wrong time, albeit through unfortunately people getting into trouble by either jumping into the water for all the wrong reasons - where they have to deal with those situations and quite often try to rescue the individuals. And we've had a lot of real-life examples of that and we've actually rescued a number of people in trouble and dealt with some quite difficult situations.

They've actually taken that to a whole new level recently and they've again off their own back, started a recent initiative with the other river authorities in Brisbane to create an educational video to try and help - to try to help educate other river users on safety, safe marine behaviour on the river and that's a really great initiative. It's just launching now, but the idea being to hopefully make sure that all the river users, be they other marine operators, canoeists, anybody for that matter, hopefully understand what makes a safe environment on the riverside.

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**Narrator:** Thinking through a simple passage plan before you head out is a great way to get off to a good start. Give some thought in advance to:

* the weather and tide conditions you may encounter,
* the correct side of the river you should be travelling in,
* your best course to safely navigate the things you're aiming for, and those you should avoid, and
* have a basic understanding of what all these different buoys and channel markers are trying to tell you.

**Rod Maule:** It seems like in the business that it needs to really be a total approach with all stakeholders buying-in. So how do you in Transdev and you as the leader of the business, get the business engaged in that with our wider stakeholders?

**Jonathan Metcalfe:** Well as you say, I mean we work in partnership with our clients, with our suppliers, with other industry partners, with the safety authorities, with the public. So, we can't do it ourselves quite often. There's a lot we can do, but there's a lot that we need to have the positive buy-in and cooperation with all of our wider stakeholders. So, there are many occasions where to make a change and to find ways of improving safety, it does require an enormous amount of collaboration, discussion, education and quite often we can take a lead in that by providing information, providing analysis and the details behind why there's a need for change, and quite often in terms of just a lot of research and industry best practice, either in sort of the local area or even internationally. And one of the benefits of being an international company is that we can bring in international best practice and knowledge.

**Rod Maule:** In particular the safety function has evolved over the last few years. Could you maybe talk through how - what you've wanted from the safety function and how that's changed over time.

**Jonathan Metcalfe:** We've been on a journey and we started out sort of five or six years ago. At that time, we employed about 2,000 people. Now we are nearly three times the size. We’ve grown substantially. We're involved in operations pretty much throughout Australia and New Zealand and the business gets more and more complicated and in fact, the expectations and the requirements get greater and greater. So, as part of that journey, as part of that growth, then for me it's critical that we invest, continue to invest further and further in safety and that we strengthen our safety focus.

So, we've been very fortunate in that we've had a number of very committed, very talented people helping along that journey and that's got us to where we got to. But I and my colleagues came to a view around about 18 months ago that for the next stage, given basically where we'd come from and where we're still hoping to go to, that we needed to go to the next level and that was really the basis behind the decision to appoint a full-time Director of Safety at the executive level to help myself and my colleagues to keep on driving safety, to keep looking at areas where we can get better and to continue to raise the standard. So, it's been a journey. The journey continues but we're now a big organisation and therefore we feel that it really needs that full-time presence at the very senior level.

**Rod Maule:** What are the success factors for Transdev in making sure that you bring everyone with us on a safety journey when they've got a heritage that's quite different to our organisation?

**Jonathan Metcalfe:** Of course every organisation has got a different culture and generally have got a different sort of starting point in terms of their safety culture. And as you say, we've been involved in integrating a number of new businesses or existing businesses but into the Transdev family and as you say, quite often they have a different starting point from a safety culture perspective.

The first thing we do is really try to benchmark where they are. So do some sort of audit to understand what is their position. And generally like everything in life, it's usually not the most successful thing to just go in and tell people to change because unless they know why you're asking them to change and what success looks like, it's rarely, rarely successful. So, what we try to do is to work with them to really put a plan together about how we want to shape the safety culture going forward and where we feel there's a need to make changes and hopefully improve. And what I've found in life is that because pretty much everybody cares about safety, every single person has got some sort of reason to actually be positive about a safety environment, then actually once you can hopefully translate that and create some enthusiasm, things start to happen very, very quickly and it's probably one of the easiest things to start to shape and encourage people to change.

**Rod Maule:** One of the things I've noticed since you've been in the business is you're a really strong advocate for a balanced scorecard approach, safety being an important element in that. Could you talk about what that passion's come from and why you believe that a balanced scorecard approach is so important to the business.

**Jonathan Metcalfe:** Well, I think simply for me, for a business to be successful, indeed any organisation to be successful, then it needs to really make sure that it's paying equal attention to all of the important components of what is there to do. So for us, we're there to provide operations on a daily basis, be they bus operations, ferries, rail, light rail:

* We are there to provide high levels of customer satisfaction to our customers.
* We have to provide a good community service.
* We have to work in partnership with our clients, be they governments or other industry partners.
* We have to be safe.
* We have to deliver a profit to our shareholders and our parent company.

So, if you only concentrate on one of those things and you lose sight of the others, then that might be successful for a year or two, or maybe even just a few months but in the long term, it's unlikely to be a successful long-term, sustainable formula. So for me, it's just a very simple philosophy that actually you need to look at all the things that you're doing and they're all important, but if I came back to safety, I'd repeat what I said earlier which is without safety you don't have a business.

**Rod Maule:** What advice would you give a new CEO or senior manager who’s really wanting to make a difference in safety?

**Jonathan Metcalfe:** Well, I'd probably say three things. I think first of all I'd say – I'd ask them:

* Are they personally passionate about safety?
* Why are they asking the question because I think if you really want to change things and to hopefully create a very strong safety culture, you have to be passionate and your managers have to be passionate about it. So, I think that's a question that really has to be asked and how do you create that passion, what is going to create that burning, burning enthusiasm?

Then I would say once you get started it's about continual refreshing, questioning. You can't just do it once. You have to reinvent the message every year. You have to refresh the culture, find new ways of making it real and alive in people's minds otherwise you stand still.

* I think the third thing I would say is about never being complacent. You see so many examples around organisations that have done a great job and then actually they sort of stand on their laurels and then something happens. And I think whether it's safety or indeed any other aspect of business, you've got to continually keep questioning and looking at how you can improve.

So, for me, my focus is always on:

* How can we get better?; and
* Is there anything else that I need to be thinking about or something that we need to be looking at and changing?

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