



Z ENERGY

Career engagement story



Z Energy was created in 2010 when Royal Dutch Shell sold its local downstream business. It supplies fuel to retail customers and large commercial customers such as airlines, trucking companies, mines, shipping companies and vehicle fleet operators.

Right from the beginning, Z decided to do things differently. They set out to be known as an extraordinary, world class kiwi company with ambitious goals. Ambitious goals required a market strategy that would allow Z to differentiate itself in a generic competitive local market place. The key to doing this, senior leaders concluded, would be through its people; extraordinary people would deliver Z extraordinary results.

“People really are at the heart of what we do.”

Mike Bennetts, Chief Executive Officer

Attracting and growing a team of extraordinary people meant that personal growth had to become a key strategic business driver. Personal growth and achievement would allow extraordinary results to be delivered through its people.

Z believe that personal and career development is for everyone in the organisation and like to think that the work environment is more closely experienced as a personal growth experience rather than just “work”. They care deeply for their people while pushing them to achieve their best as individuals and collectively as an organisation.

In 2012 Z’s Aon Hewitt engagement data analysis indicated that career development needed to become a key area of focus. At that point, Z looked to partner with Fuel50 in order to increase its career related Aon Hewitt scores and overall engagement. What has unfolded has been a three year journey of concentrated and sustained focus on personal growth and career development.

YEAR ONE – THE JOURNEY BEGINS

Spearheaded by Shame Fairbrother, OD Manager, Z targeted 2 areas of focus to build a career engagement shift:

1. Create a shift in personal career ownership

The underlying career belief at Shell was “perform well in your job and Shell will take care of your career”. However Z Energy is vastly different structurally to the historical Shell, flatter structures and no global roles meant that employees need to be able to grow in their current role and seek out customised career development in creative ways. That means taking full ownership for your career, and being in the driver’s seat determining where you go.

2. Give people personal insight

Give people personal insight into what matters to them, who they are, where they want to go, and what drives them.

“As we get clearer as a business on what matter most to us, we want our people to get clearer on what matters to them.”

Mike Bennetts, Chief Executive Officer

The above would be measured by specific engagement questions, and Z worked closely with internal engagement champions to get clear on the specific career questions that they wanted to impact in the engagement survey and by how much.

Based on its key areas of focus, Z launched CareerDrive, a Fuel50 powered career portal to its employees. This gave people a place to explore the Fuel Factors of values, motivators, talents, career agility and future aspirations, and then share this with their Leader.

To support leaders with these conversations, Z ran Fuel50 Powerful Career Conversation Workshops with all business leaders. Z understood that how they support leaders is a key area where they can be world class and differentiate themselves. In true Z fashion, these were run in-house by leaders in the business

who were passionate about personal development who chose to lead these workshops on top of their current business responsibilities. During these leader sessions, people were supported to understand personal career drivers and role model how they might hold a career development conversation tailored around the Fuel50 outputs. As a result of the workshops, managers reported they felt a marked increase in confidence to hold regular and meaningful career conversations.

Z measured the quality of career conversations happening in each team through regular Pulse surveys, and linked this to individual leadership performance results, reinforcing a business commitment to personal career development.

Engagement results showed pleasing 3% uplift in that first year, despite challenging times in the business. Part of the resulting engagement lift was attributed to the implementation of Fuel50 software and corresponding training programs.

YEAR TWO – THE JOURNEY CONTINUES

There were two areas of impact that Z wanted to focus on in the second year:

- 1. Understand at a deeper level, what regular and meaning career conversations meant to people.*

Once the foundations were in place, it was time to give leaders the additional support required to flex, enabling them to meet the diverse career needs of their team by further customising career conversations to each person.

- 2. Education on what 'career opportunities' look like at Z.*

This means understanding that a 'career opportunity' doesn't have to be a move up the ladder, it can be a lateral or lattice move, or targeting growth in your current role.

Once again a further shift in engagement was set to measure the above, and clear goals were set to measure the impact of career engagement initiatives.

In the second year, Z ran Career Leadership workshops for leaders. The purpose was to combine the latest thinking on conscious and unconscious bias, with Fuel50's/FuelAgility insight exercise. This support enabled leaders to have tailored and customised career conversations with all team members to facilitate an optimal career-life blend. Leaders worked through a range of practical tools and ways of thinking to support these conversations, such as discussing and better understanding typical career



stages, career derailers, the benefits of a lattice approach to career pathways (highlighting lateral and diagonal career movement which provides more varied options for growth and development) and career diagnostic tools to uncover preferences such as work pace, desire for reduced or flexi hours and current bandwidth for extra work.

Z also offered a series of one hour Career Booster Sessions to all their employees, allowing everybody the chance to explore their individual Fuel50 results in short, sharp, impactful sessions. Groups of employees from across the business had a chance to get together and talk about what's important to them, what they value, what motivates them and where they see themselves in the future.

Z's online Fuel50 portal – CareerDrive, was also enhanced by adding real and meaningful career stories of people in the business (including the CEO's), and expanding the range of leader resource kits.

These initiatives, among others, contributed to a 78% engagement score and an Aon Hewitt Top Companies for Leaders award in 2014.

YEAR THREE – SUSTAINING RESULTS

With great results in years one and two, the focus shifted to sustaining high career engagement scores. There were two areas of impact that Z wanted to focus on in the third year:

- 1. Help people to map out potential career paths in the business, encouraging creative career moves.*
- 2. Tailored individual support for leaders who wanted further help with more difficult or tricky career development conversations.*

In year three, Z implemented Fuel50's Pathways 'PathMapper' feature which enables people in the business to analyse lateral, one-up and two-up roles that are aligned with their personal career preferences. This encouraged people to think through a range of career paths, whilst also encouraging lateral or sideways moves as valid career options.

An added innovation was the creation of drop-in coaching clinics offered to all leaders where they could talk through any specific career coaching dilemmas they may be facing with their team, in a safe and confidential environment.

Survey results are not available for the third year yet, but focus groups held with leaders and employees uncovered many of the powerful changes that have occurred in the business over the three year period, most notably the quality of career development conversations.

HOW HAVE CAREER DEVELOPMENT CONVERSATIONS CHANGED?

Z's focus on personal growth, individual development conversations and personal development plans play an important role in the business.

Over the past three years, development conversations have shifted to become more than a 'tick the box' exercise:

My Career analysis online has helped me develop my own understanding about my personal drivers and then build a meaningful development plan for myself. That has led me to question my people a lot more closely about what they add to their plans, to make sure it's meaningful to them. If they add a future job role to their plan, I am taking the time to explore "is this something you actually care about or is it just something you think you should put down on your plan?"

Leaders are encouraging employees to start with what they love and explore job options from there, rather than finding a role that looks interesting as a next step and forcing a fit to core drivers:

The analysis has meant that career conversations have shifted from talking about a role and trying to make values and motivators fit, to turning it on its head and saying "these are my drivers, where could they take me?"

Leaders are also questioning what skills people actually enjoy using, not just what they are good at:

At Z, we know who our go-to people are for spreadsheet analysis, but we had to ask ourselves is this a skill they actually love and want to keep growing? Or by giving them more of the same - are we holding them back from developing in other areas that potentially hold more satisfaction and enjoyment for them? We want our people to know that they work in an environment where they don't have to write something down on their development plan for the sake of it, it's their document, not their manager's, not the businesses.

Building trust and getting to the heart of the matter is helping leaders really get to know what makes their team tick:

Exercises like Values and Motivators, are supporting me to get to know my new team members quicker and build rapport faster than I have in the past.



Team members really value being understood and having a report that documents what's important in their career and at work:

It helps people to know that what's important to them has been captured and listened to, it shows we actually care about this stuff. My team member was hugely impressed, she had never worked anywhere before that showed such a high level of interest in her personal and career values.

It's also prompted people to look in different directions, and carefully consider where they would be happiest:

My team are really thinking hard about what they really want, I am able to challenge their thinking on the Leadership versus Expert career pathways by asking 'do you want to get people to pay you for your leadership capabilities? Or the fact that you know something that other people don't necessarily know?'

Z's sustained three year focus on career engagement, has led to a range of business benefits and ROI results. Its focus on continually building more regular and meaningful career conversations has made a huge impact on its engagement results in the area of career development. There is no doubt that the impending year three engagement results will also reflect the hard work and dedication the Z team have demonstrated over the past three years.

"I've seen our leaders go from being nervous about even broaching the subject of career with the team to being great career coaches, where our people have the experience of their boss being their biggest advocate for their future career, even when that future may be outside of Z."

Sharne Fairbrother, OD Manager and P&C Business Partner

"CareerDrive and the focus on supporting our leaders have more meaningful career conversations has helped us to achieve extraordinary results through our people, both with employee engagement and hard core commercial outcomes".

Mike Bennetts Chief Executive Officer, Z Energy



WHAT Z STANDS FOR

Purpose: Solving what matters for a moving world.

Values: Share everything, have the passion, be bold, be straight up, back our people and help them grow.

THE HARD DATA

- ***\$420m \$2b increased equity value from 2010 to 2015***
- ***#1 most preferred brand in the industry***
- ***34% point increase in NPS from 2013 to 2015 (34% above industry average)***
- ***8% - 14% increase in return on capital employed from 2011 to 2015***
- ***Second most reputable company (Colmar Brunton, Top 20 Reputation 2014).***

Z Energy increased engagement from 66% to 78% between 2013 and 2015.