

## Rio Tinto Creates Its First Global Leader Training Journey

Rio Tinto Best Advance in Leadership Development September 2018

### **Company Background**



## RioTinto

Company-at-a-Glance	
Headquarters	London, UK
Year Founded	1873
Revenue	US\$ 40.030 billion
Employees	50,000
Global Scale	35 countries across six continents
Customers/Output, etc.	Rio Tinto produces such materials as aluminium, copper, diamonds, gold, industrial minerals (borates, titanium dioxide and salt), iron ore, thermal and metallurgical coal and uranium. Its customer base is commercially confidential.
Industry	Metals and Mining
Stock Symbol	RIO
Website	http://www.riotinto.com/



### **Budget and Timeframe**

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Overall budget	Significant budget, including vendor costs.
Number of (HR, Learning, Talent) employees involved with the implementation?	5
Number of Operations or Subject Matter Expert employees involved with the implementation?	15
Number of contractors involved with implementation	5
Timeframe to implement	2 years to roll-out to ~6,500 leaders
Start date of the program	February 2017

#### **Business Conditions and Business Needs**

As a leader in the mining and metals industry, Rio Tinto regularly reviews its global strategy to effectively respond to the challenges of the rapidly changing business environment, empower its employees, and strengthen its global partnerships. During the past few years, Rio Tinto leadership has invested significant effort and funds to drive the company's new strategy, revise the organization's purpose, put a strong emphasis on Rio Tinto's core values, and establish an updated leadership model. The aim of this holistic transformation was to enable Rio Tinto to continue to excel at its current operations while remaining a pioneering company in producing materials essential to make modern life work.

After a number of years of significant-cost reductions, the company's CEO changed the direction of the company, putting a strong emphasis on engaging people and management. He established investing in people as one of the company's top five priorities, next to safety, partnerships, cash and growth. Rio Tinto's Executive Committee recognized that high levels of employee engagement and strong, aligned leadership across the Group were essential for bringing Rio Tinto's purpose to life now and into the future.

As a result, Rio Tinto's leadership made a major financial investment and, for the first time in Rio Tinto's history, rolled out one leadership program for all people leaders across the



Group, creating a common understanding of the responsibilities and expectations of Rio Tinto leaders. The primary objective for this program was to build engaging leadership capabilities, which would lead to a significant increase in overall employee engagement.

"Rio Tinto leaders have an enormous responsibility. Each day, every one of us is relied on to provide a sense of direction, inspire others to truly stretch themselves, engage those around us so that we work together to achieve more and demonstrate our values and behaviors," said Jean-Sébastien Jacques, CEO of Rio Tinto. "Being a truly great leader isn't easy — it takes courage and commitment... We are supporting our leaders by rolling out a program that will challenge and inspire them to lead us to deliver superior performance."

#### Overview

Leaders provide the crucial link between how the business operates, the core values, and what every employee does every day. When employees at Rio Tinto are aligned around a clear and powerful purpose, the company more easily can achieve its goals.

After releasing the new strategy, rolling out the Leading for Success (LfS) program was the next step in developing strong and engaging leadership capabilities throughout Rio Tinto. In turn, this leadership would ultimately drive successful execution of the business strategy and the five priorities.

The learning objectives were:

#### Alignment.

- Develop a common understanding of Rio Tinto's strategy, purpose and values.
- o Build alignment across the organization on what a great leader looks like.

#### • Mindset.

- Recognize the need to be a more engaging leader and role model.
- o Commit to the "developing self" aspect of the Rio Tinto leadership model.

#### Capabilities.

- o Identify the differences in people and adapt your leadership style accordingly.
- Increase the performance of your team, building trust and engagement through quality conversations.



To date, Leading for Success has increased employee engagement and continues to receive outstanding feedback from participants. The program is regularly referred to in CEO communications, has been recognized as one of the HR highlights for 2017, and consistently continues to be positively received when measured through internal scorecard metrics.

### **Design and Delivery of the Program**

The Leading for Success learning journey was created in partnership with Rio Tinto and BTS. Together, through a series of intensive interviews, the two companies designed a customized program to achieve learning goals for every level of leader at Rio Tinto over a period of seven- to-nine months.

The learning journey includes six weeks of preparation activities, a two-day workshop and six months of post-work exercises.

Figure 1: Learning Journey



Source: Rio Tinto 2018

Before the workshop, participants complete weekly activities via the mobile platform Changr. The pre-work includes bite-size pieces of content in several formats (videos, surveys, memos, assessments, etc.) and takes 15-20 minutes per week.

At the two-day workshops, up to 30 participants participate in team exercises with their peers and are immersed in a simulation based on examples from Rio Tinto operations. The workshop has the added value of enabling participants to exchange experiences and grow a strong-leadership network across the Group.

At the center of the workshop is a simulation that allows participants to experience highly-realistic leadership moments they may encounter at work in a lifelike but risk-free



environment. The scenarios were developed after conducting extensive interviews with more than 80 leaders across Rio Tinto globally to ensure that the moments were realistic and relevant whether the leader worked in remote Western Australia, Mongolia or London. The scenarios were designed to carefully surface defined-learning points and stimulate rich discussion around them. Each level of the LfS program (senior leader, midlevel manager, frontline leader) is assigned unique scenarios to reflect the challenges and context relevant to the participants' levels and roles.

In the six months following the workshop, participants undertake a series of monthly activities on the Changr mobile platform, including articles, videos, and peoplemanagement simulations to help leaders embed their learning and practice new skills.

This post-work is complemented by an Engaging Leader Assessment, a 180-degree online questionnaire that includes a self-assessment and feedback from three- to-12 direct reports. This process helps leaders identify and develop engaging-leadership behaviors. Participants complete this assessment twice, once at the beginning and the other at the end of the learning journey.

In developing this transformative-learning journey, the Rio Tinto and BTS team took into consideration two key-design elements that proved to be instrumental to the program's success.

First, before the program was piloted with senior leaders, the Rio Tinto executive committee (ExCo) participated in a special version of the program designed to provide them with the key concepts, principles and language of LfS and to successfully set them up to lead the initiative and model the correct "engaging leader" behaviors. The ExCo members also participated in the "Engaging Leader Assessment," which allowed them to have a full understanding of what the experience would be like and to provide the best support possible for their leaders.

Second, each workshop was co-facilitated by a Rio Tinto leader who had already participated in the program and who was briefed to successfully co-facilitate the workshop with a BTS facilitator. The workshop was intentionally designed to allow the BTS facilitator to do the heavy lifting (following the agenda, keeping time, stimulating discussion, etc.) and enable the Rio Tinto co-facilitator to engage with the Rio Tinto participants on a more personal level, telling stories, sharing perspectives and ensuring that all learning is contextualized.



### **Adoption of the Program**

Adoption of Leading for Success program at Rio Tinto occurred in a myriad of ways. First, all functions prepared for the program were developed ahead of the roll out, minimizing administrative tasks later. Second, the program was built with enough flexibility to allow for successful adoption.

The implementation of LfS was divided into three streams: senior leaders (executive committee, general managers, managing directors), mid-level managers, and frontline leaders (superintendents and supervisors). Content was adjusted based on the level of seniority.

In addition, product groups had flexible implementation, determining the pace, timing, and scale of the roll-out based on their specific needs. With Rio Tino leaders who already had gone through the program helping facilitate it, the project team further customized and personalized the program in the adoption process. Finally, the program's design allowed for maximum adoption by cascading the qualities learned throughout every level of leadership at Rio Tinto.

To date, the program has been delivered successfully to the majority of senior and midlevel leaders despite numerous challenges due to Rio Tinto's organizational complexity – two official languages (English and French), a diverse-product portfolio, a global presence, operations in remote locations, and a high level of cultural diversity.

Initially, the program was intended to be only a two-year project, launched in the beginning of 2017 and completed by all current leaders by the end of 2018. However, given the success and appreciation for the program, Group leaders decided to embed LfS as a permanent- and-foundational leadership program delivered continuously at Rio Tinto through 2018 and beyond.

#### **Measurable Benefits**

LfS was launched in February 2017 and has contributed significantly to employee engagement across the group. This change is best demonstrated by the eNPS (net promoter score) results of Rio Tinto's People Survey. At the end of Q4 2017, the eNPS score had increased by 12 points. The average "recommend score" at Q4 2017 was 65, five points higher than in Q1 2017.



Rio Tinto leadership recognized those numbers as a solid improvement in employee engagement and identified LfS as one of the key drivers behind the success. The LfS team received the following thank-you note from Vera Kirikova, head of Human Resources:

"[This was a] great achievement and thanks so much for doing the program in such a short period of time. With these things, the quality of the delivery and the relevance is critical. Not only did you receive the recognition of ExCo, but more importantly the wide recognition from everyone in the Group. LfS gets consistently positive mentions in the people survey."

Additionally, after more than 1,700 leaders attended the face-to-face workshops, the mean score involving whether they would recommend the program hit 9 out of 10, a metric that contributes heavily to the internal-people NPS.

#### Overall

Being a great company requires many things, but the experiences of the LfS program demonstrate that shared values and engaging and collaborative leadership are critical for success. Leading for Success sets not only a strong foundation for all of Rio Tinto's leaders but also lays out what is expected of each leader. Testimonials from top leaders at Rio Tinto highlight what has been learned throughout the leadership journey thus far. For example:

"Values are critical. Aligned values need to be embraced day-in and day-out. Anything less than this will not work."

"No matter how experienced, senior or effective a leader is, there is always room for growth and learning. Leaders need to be constantly challenged to be their best."

"Rio Tinto is changing quickly and, to be effective, leaders must be able to work in a collaborative, highly-engaged, and networked way. Leading for Success provides this foundation."

"There is a bigger picture than just results. Results are still important, but thinking about larger goals, like what Rio Tinto is trying to achieve, the team, and the workplace environment are also important."

"Culture plays a big role in affecting people's actions and behavior. The LfS journey provided leaders with this broader perspective in interacting with others."



The role of a leader is becoming more and more critical for the long-term sustainability of any business, and leaders everywhere are facing a work environment with higher complexity and high expectations. So, to run their teams, operations, business or functions safely and efficiently, they need to be well prepared. The Leading for Success program is helping build that foundation in leaders at Rio Tinto and supporting them to lead their teams to success.

The impact of LfS is widely recognized across the Group. As the program expands, launching to 4,000+ frontline leaders in February 2018, an even larger impact is expected.



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