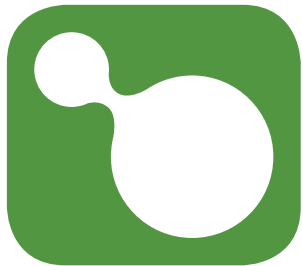


# Sarah Salter

Group HR Director at Northumbrian Water

Since joining the organisation in 2010, Sarah Salter has made a real impact on the people agenda at Northumbrian Water. Here she tells Nigel Wright that the key to success is all about creating an environment which enables others to succeed, and why working for Northumbrian Water means having a broader personal commitment to serving the community.



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*It's over three years since you joined Northumbrian Water. What was it about the role and the organisation that attracted you to the opportunity?*

I was working at Places for People and wasn't looking to move, when I was invited to meet Heidi Mottram, Northumbrian Water's new Chief Executive. That prompted me to look at the organisation and the sector and who my future boss would be, and I got a really positive feeling about the overall opportunity. Northumbrian Water has a really strong sense of purpose, centered on providing an excellent service and adding value to the community, which is very compelling, especially as it was a FTSE 250 company based in the North East.

*What were the biggest challenges you faced when you joined Northumbrian Water and how did you overcome them?*

As this was my first role in the regulated utilities sector there was definitely a learning curve to get to grips with the complexity of the industry. There were already good foundations and processes in place, as well as a very competent HR team, which made the transition easier. I was recruited to support the change agenda, to get the organisation talking more about cultural issues like behaviour and people engagement as well as trust. Many

of our people are scientists and engineers, so understandably there tended to be a technical and process driven approach in the business. My style was essentially 'counter-cultural' - it created a bit of constructive tension in the business. Now people think more about behaviour, engagement and trust differently, with a more inspirational people agenda.

*Which achievements are you most proud of?*

From an organisational point of view, definitely being part of a winning team. And when I say 'team', I don't just mean HR or the Management Team, but rather everyone here at Northumbrian Water. We won 34 awards last year, recognising achievements right across our business, which we're really proud of. In terms of people focused achievements, we won the Leadership category at the 2012 North of England Excellence Awards and the national excellence award through 'Business in the Community' for Engagement and Wellbeing and a regional EEF award for People Management. At the 2013 North of England Excellence Awards we won Business of the Year based on a two week assessment of our entire business model, which included members of the HR team being assessed by auditors. From a personal perspective, I'm hugely impressed by how the HR team has developed in the last three years.







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They've supported some big changes and difficult challenges and emerged with greater confidence and freedom to operate.

*What are the current challenges you're facing?*

We have a long serving workforce and people have witnessed a significant amount change in the industry over the last two decades. So, for me communicating change clearly and effectively is vitally important, because building change capability remains a challenge for all businesses. There are some high profile efficiency benchmarks in the water sector and we are working hard to help our workforce understand how this demanding external climate means we have to continually adapt how we work. A key focus for us is getting our people to understand how important it is to satisfy customers on their own terms rather than our terms. Central to the solution is making sure that our people recognise the diversity and differentiation of different customer needs and have enough flexibility to be able to deal with a variety of issues. The third area I would draw attention to is leadership development. Many of our managers have successfully worked their way up through our business and have developed robust technical management skills; we're focussing on leadership and behaviour at the moment, to get

a good balance between personal and technical skills.

*Is there a Northumbrian Water 'culture'? What role have you played in shaping this?*

When Heidi joined there was a great focus on defining our values, which are: to be customer focused and results driven, creative and ethical and operate as one team. These are now woven into everything we do as a business. Over 90% of our employees would say they are comfortable with these values and believe they represent who we are as an organisation. One of my main themes has been to support the development of the 'Our Way' programme, in conjunction with an external partner. This is a programme aimed at communicating our values through explaining 'how we work around here'. We help our people to develop the right skills and to understand how to apply our values in their day to day role. All 3000 people have had at least one day of 'Our Way' training and in many teams it's much more than this. Every department's business plan has an 'Our Way' section explaining how the team intends to embed the 'Our Way' values and behaviours and we celebrate people who bring the vision and values to life through our annual peer-nominated "ViVa" award (Vision and Values). So, it's not just

written in a book, it's completely woven into the organisation at every level.

*Why should other people consider joining Northumbrian Water?*

There is an enormous value to the work that we do here. Our water and waste water services are critical to life and to civil society and every day I work alongside people who are completely committed to what Northumbrian Water does and what it stands for. Working here gives you a real sense of pride and the 'Our Way' behaviour creates a very supportive, friendly and positive environment and because Northumbrian Water is inextricably linked to the communities it serves, in joining the business, you naturally take on the responsibility of being an active community member. So, for example, we run an award-winning employee volunteering programme called 'Just an Hour' and over 1,500 of our staff took part in community initiatives last year through this programme. Getting involved in voluntary activities is mainstreamed in our business.

*You're not from the North East originally but this is actually your third spell working in the region. Do you think perceptions of the North East as a good place to live and work are changing? What more could be done?*

For me, the location of this opportunity was definitely a bonus; I'd worked in the region before and was already familiar with the area and what it has to offer. Generally speaking, however, I do think the North East is a well-kept secret. The former One North East slogan 'Passionate people, passionate places', really captures for me what the region is about and when people come and work here they very quickly connect with this idea and develop an affinity with the place. There is so much to be proud of in the North East - things like our cultural heritage, Science City and the groundbreaking research our universities pioneer. As a business leader based here, I feel a strong desire to talk the region up. That's the challenge we should all embrace.

*What is Northumbrian Water doing to ensure its talent pipeline is healthy over the next few years?*

We have a very stable workforce at Northumbrian Water because people like working here. Our staff turnover is below 5% which is great, yet that can also create the challenge of how to keep people motivated and inspired. Through our employee survey, career development emerged as a key issue. In the last 18 months we have rolled out a new programme called 'Our Way – Your Direction' aimed at addressing this. So, we've subsequently done a lot to help people understand that career development isn't always about moving vertically but rather about broadening your experiences and getting involved in different areas of the

business. We've enabled over 100 development secondments across the business in 12 months and developed more project, volunteering and mentoring opportunities. It's all about getting people to reframe what personal growth means and the result is that we're creating internal churn so it's a virtuous cycle. In terms of attracting people to join Northumbrian Water we work with schools and universities to help young people understand what a diverse range of opportunities are on offer in our business. We're working with the government on the 'Trailblazer' initiative, developing a new approach to apprenticeships in the water industry, and exploring other innovative ways to engage young people in the world of work.

*What skills are you currently trying to attract or develop at Northumbrian Water?*

We place huge value on the scientific and technical expertise that we have in the business and making sure that our workforce is flourishing in these critical areas is always a key focus for us. We actively support science, technology, engineering and maths (STEM) subjects in schools, as there is a still national shortage of young people engaging in these key subjects, particularly young women. We need to help parents and teachers understand more about the fabulously rewarding careers that many scientists and engineers feel they have. Developing an all pervading 'customer mindset' in our business is another major focus for us. We're a customer facing business and what our customers think about the services we provide is vital to us; at the end of the day our success is essentially driven by customer experience. So, whilst hiring people who, for example, have a practical knowledge of leakage management is important, our people also need to have a strong service mindset and the ability to talk to customers in an engaging way.

*You've spent over two decades in HR. How has the role of the HR professional changed during that time?*

The level of involvement in change management projects and, specifically, the process of enabling change, has evolved during the last two decades. The engagement and wellbeing agenda is also something which has emerged during that time and continues to drive and shape strategy, and it has definitely evolved from a focus on industrial relations to employee relations - helping managers to embed culture and support innovation and customer engagement. It's what I would describe as an ambassadorial role. It's important to remember, however, that the due diligence agenda - having slick processes and internal knowledge and 'getting the basics right' - has never gone away either. So, for example, having HR professionals with the credibility and knowledge to provide good guidance and advice to line managers is still fundamentally important.



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*What HR trends are you most interested in at the moment?*

In my view the economic climate of the last few years has brought trust to the fore and we hear people talk about a crisis of trust in the UK - trust in business and trust in leaders as well as our institutions. From an employee engagement perspective, our people strategies must seek to rebuild trust by helping people see the true value of the organisation. At Northumbrian Water 75% of our employees currently say they feel 'highly engaged' so we're obviously focused on understanding how to better engage the remaining 25%. Another area of interest is around wellbeing and resilience. Technology is driving people to work longer hours and we have to help people develop strategies to manage the lure of a 24/7 working culture. So the wellbeing agenda includes giving support and advice around mental as well as physical health. A third area of interest, which I've already discussed, is around helping people fulfil their potential and creating excitement about what else they can do at work. And finally the UK skills agenda is critical, with focus on STEM and promoting inclusion.

*You're a strong supporter and contributor to our HRD network. How important are business networks in the HR community? What do you get out of them? Is the region lacking anything in this respect?*

Networks are really valuable because they act as forums where we can share ideas and best practice and stimulate new thinking. They provide a very supportive and trusting environment to share problems and solutions. From a development

point of view, they provide a good opportunity for members of my team to learn from others too. There is a range of different networks in the region and I think the North East is probably the most connected place I've worked.

*How do you keep yourself busy outside of work?*

We place huge value on our relationships with our stakeholders and so Northumbrian Water people like to work closely with all kinds of community organisations. In support of this I have several non-executive roles. I am a member of the leadership team for Business in the Community's East of England 'Business Action on Public Health' campaign, following on from the BITC national Workwell Leadership council in 2010. In the North East I'm a trustee for the Excel Academy Partnership in Durham and a regional advisor for Common Purpose, which runs leadership development programmes. I've been working closely with Beamish Museum to establish the Business Friends of Beamish, to redefine how the business community can share in its success and support it in the future. Beamish plays such an important role in the identity of the region and has a bold vision for the next ten years. The museum is awaiting the outcome of a major bid to the Heritage Lottery Fund which will mean the plan can come to life sooner, bringing huge benefits like supporting older people, greater engagement with the STEM agenda and creating some 50 apprenticeships in the coming years. From a purely personal view point, I've found a fantastic yoga network since moving to the North East. Last year I trained in Thai yoga massage and I've just started yoga teacher training too. Do I have too much on my plate? Probably! But, is it worth it? Absolutely, yes.



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