



# **HUMAN RESSOURCES MANAGEMENT**

**CASE**

**Presented by**

# **BOMBARDIER**

Written by

**Sylvie Guerrero Ph. D. CRHA**

Professor - ESG UQAM

# GETTING READY FOR A NEW AGE OF DIVERSITY AND INCLUSION: A Daunting Challenge for Bombardier Inc.

## Few Years of Turbulence

Who hasn't heard of Bombardier? In its years of activity, the Quebec-born flagship organization became a world-renowned player in the aviation and transportation industries. Nevertheless, with its 62,000 employees spread over 25 countries around the world, Bombardier lived numerous crises and reorganizations in recent years, resulting in successive waves of layoffs.

Since 2015, Bombardier has undergone a host of business restructurings. This has led to several waves of job cuts, mainly in the Aviation wing of Bombardier. To reinforce its financial position, the group has sold several of its business operations: the Q Series to Viking Air; the C series to Airbus; the CRJ series to Mitsubishi Heavy Industries; and, in 2020, Bombardier Transportation to the French group Alstom.

## Arrival of a New CEO

Under these critical conditions, Eric Martel took up the mantle of CEO of Bombardier in April 2020. In his vision for Bombardier, Eric wishes to steer back the company's focus to a sole division: Aviation. Meanwhile, the different restructuring efforts have affected the morale of troops, especially in North America. Unfortunately, the pandemic context makes it even more difficult to elevate employee's morale. Even though they do stay at Bombardier, their engagement level has significantly decreased, and the new CEO commits to resolve that issue.

In his plan, Eric Martel has established five pillars on which he wants Bombardier's culture to rest from now on, the first of which is to make Bombardier "an employee-first and client-first organization." At the same time, his business objectives aim to better align Bombardier Aviation with market demand in order to improve profitability and generate more stable cash flows. Combined with the pursuit of new opportunities and the discontinuation of transportation-related activities, the new management efforts should lay the foundation for long-term success based on a more humane and reliable culture, while supporting the organization's financial soundness.



## HR Faced with New Challenges

The new reality brings about many intricate challenges for the HR department. Empowering employees does not only mean building their confidence, but also giving them hope for better days and conviction that their skills play a vital part of Eric Martel's objectives.

In fact, new directions have already been taken by the organization:

- 1) A key element of the new high performance-based culture was the revamp of the employee performance management system. The system now provides different performance goal-setting categories, which are aligned with the organizational priorities. In order to make processes more agile and flexible, and overall more employee-friendly, the changes also include streamlining performance review tools and making forms more concise.
- 2) In order to encourage the ongoing participation of employees in conversations, a new survey was launched. With a focus on employee engagement, the survey allowed every single employee to give their honest feedback on opportunities of improvement.
- 3) The group directs further attention to learning. In fact, it created the *Bombardier Academy of Learning*, bringing leadership and self-development learning tools, as well as resources, all under one umbrella. They also include functional skills development in specific areas. The Academy continuously evolves in order to satisfy growing needs. Bombardier also launched a new learning structure called the *Academy*, which encompasses various resources to help employees navigate their career development and opportunities.

## Inclusion and Diversity Initiative

In order to promote its new corporate culture, Bombardier wishes to prove it can become a true example in terms of diversity management and position itself as an outstanding employer and a leader in its field. The foundations of this project are laid. Bombardier now self proclaims as a workplace promoting the inclusion of a diverse workforce. The group's goal is to create an open and inclusive environment regardless of ethnicity, culture or gender.

They firmly believe that by making room for different ideas, perspectives and skills to take off, the organization will only grow richer in innovation and product quality.



As such, the group's head office appointed a diversity and inclusion officer. The creation of a code of ethics and conduct is a key success and sustainability factor for the organization. Beyond the code of ethics, and through appropriate diversity management, the group aims to promote respect and value for all employees, without limits related to characteristics such as ethnicity, culture, language, gender, age, sexual orientation, disabilities, religion and beliefs. After years of tensions, the goal is to establish a workplace where all voices are heard, respected and valued, and where open dialogue devoid of harassment and discrimination is normalized.

For all these reasons, Bombardier would like to prioritize diversity and inclusion, which have become strategic opportunities for improvement. However, in a group that is overwhelmingly male, and with a Board of Directors that is homogenous in terms of age, ethnicity and gender, the bar is significantly high. As a result, Eric Martel has refreshed his management team, appointing a new Senior VP, Legal and Secretary. In addition, Bombardier signed the BlackNorth pledge to fight anti-Black racism in Canada (see details in Appendix). Behind the new structures and words, there is a fundamental need to change our ways of doing and thinking so that all decisions, team leadership efforts and the whole workplace can support diversity within the organizational culture. A section from the engagement survey suggests that employees are open and willing to take on this challenge. In fact, employees had to comment on the following three statements pertaining to diversity:

- √ My company encourages and promotes diversity of backgrounds, talents and perspectives.
- √ The people I work with are open to other people's ideas.
- √ Within my workplace, I am accepted for who I am.

## Your Mandate

You received a call from Karine Wilson-Diallo, the newly appointed diversity officer. He has just provided you with a snapshot of the situation, as described in the previous pages. The group gave him carte blanche to make innovative, relevant and effective recommendations. He must prepare an action plan for the next two years and present it to the steering committee. He has mandated your consulting business to support him in



his action planning. A few hours later, you meet with Karim Wilson-Diallo along with Geneviève Lambert, VP, HR of the Bombardier Group. The first step of your mandate: they ask you to provide them with your case analysis and your ideas. For which, several questions are top of mind:

- a. How does diversity management fit in Bombardier's core business strategy? How do you explain that diversity actions served Eric Martel's business objectives and vision?
- b. Which recommendations do you provide to Bombardier in order to help it become the leader in diversity and inclusion it longs to be? Develop a plan that can ensure greater access to women, ethnicity, persons with disabilities, members of the LGBTQ2+ community, as well as to people of First Nations, Inuit and Métis communities. Your plan must include details about the following elements:
  - 1) How to integrate diversity and inclusion in the normal activities among the HR department and existing HR practises at Bombardier.
  - 2) How diversity can attract the best talents.
  - 3) How implications of the BlackNorth pledge can support Bombardier's best practises.
- c. Which KPIs can the group develop in terms of diversity?

To help guide you, you have received additional information included in the appendix section. Now, the ball is in your court!



## References

### **For the Group profile**

<https://www.bombardier.com/en/home.html>

<https://www.bombardier.com/en/about-us.html>

<https://www.bombardier.com/en/about-us/history.html>

[https://en.wikipedia.org/wiki/Bombardier\\_Inc](https://en.wikipedia.org/wiki/Bombardier_Inc)

### **For information on the diversity and inclusion program**

<https://www.bombardier.com/en/about-us/diversity-inclusion.html>



## Appendices

### Appendix 1. Workforce Characterization (North America)

	2019	2018	2017	2016	2015
Total headcount	25,957	29,720	30,233	29,375	30,681
Women	19%	19%	19.3%	19.3%	19.6%
Men	81%	81%	80.7%	80.7%	80.4%

### Appendix 2. Workforce Age Groups (International)

	2019	2018	2017	2016	2015
Total headcount	54,011	60,516	60,598	59,485	62,836
30 and younger	14%	15%	14%	13%	14%
Between 30 and 50	56%	55%	53%	56%	53%
50 and older	30%	30%	33%	31%	32%
Total ethnicities	139	141	122	127	125
Average age (overall workforce)	43	43	44	43	43
Average age (executive level)	50	49	50	50	50
Average age (management level)	48	47	48	47	48
Average age (other positions)	43	43	43	43	43



*Appendix 3. Employee Turnover (International)*

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Number of voluntary terminations (resignations)</b>	3,930	3,713	3,147	2,908	2,636
Overall resignations	7.2%	6.1%	5.2%	4.8%	4.2%
Women	10.2%	8.0%	7.3%	7.2%	5.9%
Men	6.5%	5.7%	4.7%	4.2%	3.8%
New hires	6.1%	7.4%	4.6%	5.3%	4.0%







Éric Martel • 1st  
President and Chief Executive Officer, BOMBARDIER  
1mo • 🌐



Yesterday, I joined more than 350 CEOs across Canada in signing the BlackNorth pledge to fight anti-Black racism in Canada. Bombardier has committed to a number of actions to be achieved by 2025, namely:

- Increase our efforts to make Bombardier a trusting place to have conversations about anti-Black systemic racism and ensure no barriers exist to prevent Black employees from advancing in the organization.
- Establish at least one diversity leadership council to create and share strategic inclusion and diversity action plans with our Board of Directors.
- Commit to hiring goals of at least 5% within our student workforce from the Black community by 2025. We will also invest at least 3% of corporate donations and sponsorships in economic opportunities for the Black community by 2025.
- Collect data on race and ethnicity to identify gaps and report on progress.

The commitments I made by signing the pledge are not the complete answer, but I believe they are concrete steps toward building a more diverse and inclusive workplace.

By working alongside other corporate leaders for true diversity and inclusion, we can cultivate meaningful change for our society and end anti-Black systemic racism.

[#BlackNorth](#) [#DiversityAndInclusion](#) [#leadership](#)

