Creating a Strong Colleague & Leadership Experience & Strategic Workforce Planning

TD Bank Group

May 10th 2018
Today's Agenda

- Creating a strong colleague experience
- Building leadership capability at TD
- Strategic Workforce Planning

Speakers

- Xaviera Diaz
- Fathima Jaffer
- Annabella Tamburro
- Lucas Cescon
- Arman Zareyan
- Sarah Keizer
- Helen Davies
TD Bank Financial Group
Simple Strategy, Consistent Focus

BUSINESS STRATEGY
We will be the premier Canadian retail bank, a peer leading U.S. retail bank, and a leading Wholesale business.

FOCUS FOR 2018
Our key priorities for 2018 are:

- Distribution transformation
- End-to-end customer journeys
- Process simplification
- Project delivery excellence
TD's Workforce

85% of employees say they are proud to work for TD

39.8% women in leadership (Canada)

14.5% visible minorities in leadership (Canada)

$81.8 million global spend on training and development

7.8 years average bank tenure

2.7 years average job tenure

87% of employees are Individual Contributors

13% are People Managers and 15% of which are Executives

50% = Millennial

34% = Generation X

15% = Boomer

1% = Silent Generation
TD Framework

Our vision
Be the better bank

Our purpose
To enrich the lives of our customers, communities and colleagues

Our shared commitments

Think like a customer; provide legendary experiences and trusted advice
Act like an owner; lead with integrity to drive business results and contribute to communities
Execute with speed and impact; only take risks we can understand and manage
Innovate with purpose; simplify the way we work
Develop our colleagues; embrace diversity and respect one another
TD's Employee Value Proposition (EVP)
our guidepost to enabling strong colleague engagement

When someone chooses to invest their time, talent, and potential with us, we're committed to providing them with:

WORK THAT MATTERS
Wherever you work and regardless of where you are in your career, you'll help make a meaningful difference to our business, our customers' lives and our communities.

OPPORTUNITY BEYOND EXPECTATION
Here you'll become, and be, the very best you can – in ways you may have never thought possible. After all, a better you means a stronger us.

INSPIRING LEADERSHIP
Our leaders support and challenge you to deliver your best for our customers and each other. This happens in an inclusive environment where you are always encouraged to bring your whole self to work.
Employee Engagement – why does it matter?

- Engagement is critical because it is directly linked to business outcomes

**Definition: Employee Engagement**
An employee’s job satisfaction, loyalty, and inclination to expend discretionary effort toward organizational goals

*American businesses lose productivity worth $300 billion annually due to disengaged workers.*

Organizations with highly engaged employees experienced a 2.3 times greater 3-year revenue growth rate than average (20.1% growth vs. 8.9% growth).

57% more effective and 87% less likely to leave than organizations with low engagement.

Source: Deloitte Insights, 2017 Human Capital Report
Employee Experience (EX) at Work

Top challenges facing businesses:

- Making EX a consistent **business priority**, not just an annual engagement survey
- EX champions at a sr. executive level to support the **design and delivery** of programs
- Creating an understanding of the **full landscape of employee experience** and strong **metrics** to measure it

Our approach at TD:

1. **Lay the Foundation & Resource**
2. **Take a Holistic Approach**
3. **Identify Return on Investment**
A Unique Employer Brand
grounded in consistency & brought to life by employee advocacy

Lack of consistency in messages.
No clear articulation of employee promise.
No brand alignment.

Consistent message for candidates – some brand alignment.
Experience may not always live up to the promise
Clear brand alignment

The candidate AND employee experience consistently lives up to the promise

The Employee Value Proposition is the accepted guidepost that helps shape organizational decisions to protect and enhance the candidate and employee experience.

Employer Brand gives our overall Brand extra lift. Successful engagement of target audiences (internal/external, in all markets and segments e.g. critical talent segments)

ROI:
• Supply of Talent
• Employee Engagement
• Brand Equity

Consistency in employee and candidate:
• Experience
• Communications

Developing
Foundational
Impactful
Strategic
Our focus at an enterprise level

WORK THAT MATTERS
Enabling Work
Stronger alignment of technology, simplification & ideation programs through an employee lens.

Ready Commitment
Continued internal activation

OPPORTUNITY BEYOND EXPECTATION
Core Talent Practice Redesign

Workforce Reskilling
Preparing colleagues to build skills needed for tomorrow.

Employee Listening
Transition to a Continuous Listening Program.

INSPIRING LEADERSHIP
Leadership Development
Launch of Elevate, Activate Programs, & Current People Manager

Pipeline Leadership
Leading with Impact, Pod Coaching, Six & Six

Inclusion & Diversity
Leadership Accountability, Inclusive Workplace
How we build a legendary employee experience

Discovery

1. Identify your Target Audience
2. Collect Internal & External Research
3. Employee Engagement Diagnosis

Opportunity Assessment

4. Address the Employee Experience Gaps
5. Create a Compelling, Differentiating Value Proposition

Recommendations

6. Innovate Solutions to Internal Pain Points
7. Create an Internal Engagement Comms Plan
8. Create and Activate a Recruitment Marketing and Brand Plan

Advocacy

9. Reflect the Voice of the Employee
10. Create TD Brand
11. Become an Employer of Choice
Employee Experience Journey Map

Explore & Apply
- Career Website
- Word of Mouth Reputation
- Referrals / Advocacy
- Apply
- Candidate Mgmt. (incl. interviewing)
- Offer + Selection

Join & Onboard
- Pre-First Day
- First Day + Orientation
- Training
- Employer Brand
- Inclusion & Diversity

Perform, Be Recognized, Learn & Grow
- Leadership
- Manager Relationships
- Co-worker Relationships
- Role Clarity + Goal Setting
- Performance Feedback
- Effective Collaboration
- Job Enablement
- Clear Processes
- Discretionary Effort
- Career Progression
- Learning & Development
- Recognition
- Coaching & Mentoring
- Change Mgmt. + Communications
- Compensation & Benefits
- Life Events i.e. Maternity Leave
- Flexibility/Schedule
- Facilities/Workplace design

Separate, Reconnect & Rejoin
- Departure
- Retirement
- Stay in Touch
- Re-Join
- Alumni-Sites & Events

Criteria for Prioritization of Opportunities:
1. Is aligned to TD’s Employee Value Proposition
2. Addresses a broken employee experience or Moment of Truth
3. Addresses a risk to TD’s employer brand
4. Critical mass: meets the needs of a significant employee segment
5. Is aligned to TD’s business and HR strategy

Legend:
- Neutral
- Opportunity
- No Evidence
  - Employer Brand
  - Moment of Truth
A Case Study: N.A. Phone Channel

Meet Tim
He's interested in working at TD Bank.
He's been a customer for a number of years, and really likes the customer service he receives.
He goes online to see what job opportunities TD has, and comes across
North American Phone Channel (NAPC)...

Tim
Hears about TD and applies online
Interviewed by a recruiter and offered the job
Joins NAPC training. It's a bit tough for Tim to fit in full-time training for this part-time role
Starts taking calls. Is overwhelmed by the # of calls, angry customers, and tight scheduling
Starts to become disengaged and feels stuck
Results start to suffer due to stress of achieving metrics
Tim leaves the organization
A Case Study: N.A. Phone Channel

After working with the business to identify underlying issues and use the EVP to help guide decisions, Tim's new experience looks like the following:

- **Hears** about TD, watches NAPC recruitment video to understand 'a day in the life' and decides to apply online
- **Interviewed by a recruiter who tests for NAPC capabilities and provides a realistic preview of the work each day**
- **Joins NAPC training.** It's tough for Tim to fit in FT training for PT role
- **Starts taking calls.** Is overwhelmed by the # of calls, angry customers, and tight scheduling
- **Starts to become disengaged and feels stuck**
- **Results** start to suffer due to stress of achieving metrics
- **Tim leaves the organization**

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- **Hears about TD, watches NAPC recruitment video to understand 'a day in the life' and decides to apply online**
- **Interviewed by a recruiter who tests for NAPC capabilities and provides a realistic preview of the work each day**
- **Tim hits the floor, confident his training was comprehensive and effective. He is paired with a buddy to help him navigate the calls he'll receive his first 2 weeks.**
- **Tim loves the team-based scheduling as he has built a strong bond with his co-workers. He knows he can always relay on his leaders to provide clear direction**
- **18 months in, Tim is a top performer. He believes the best part of his job is solving customer problems. He also feels supported by great leaders to grow and develop**
- **Tim decides to grow his career in NAPC, taking on a Team Lead role, and developing others with what it takes to succeed in a call center environment**
- **Tim recommends NAPC to 3 of his friends who are looking for a part-time role, who have the right skills and passion for customer service**
How can you measure impact and ROI?

There are a number of data sources that are available to track, measure and understand how we are attracting, retaining and engaging our people.

**Q: Do we have the right talent for the future?**

**Talent Metrics**
- Careers Site
- Campus recruitment
- TD Recruiters
- External agencies
- Quality of Hire
- Declined Offers
- Candidate Feedback
- Employee Referrals
- Attrition
- Exit Interviews

**Q: What are our employees saying about working here?**

**Employee Engagement**
- Engagement Surveys
  - Internal Pulse Surveys
  - External surveys & culture audits (i.e. Gallup, Aon Hewitt)

**Awards:**
- Great Place to Work
- Top 100 Employers

**Q: What is our employment brand on the street?**

**Brand Equity**
- Surveys:
  - External research
  - Reputation/Brand Equity
- Sites:
  - LinkedIn
  - Glassdoor
- Forums
- Social media
  - Twitter, Facebook
  - Blogs, Forums
Where are we headed next?

- Continuous Listening
- Strong employment brand externally
- Employees as advocates

Consistent approach to employee experience, supported by stronger data insights and a self-serve model
Leadership Programs

Our vision
Be the better bank

Our purpose
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Our shared commitments

- Think like a customer; provide legendary experiences and trusted advice
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- Execute with speed and impact; only take risks we can understand and manage
- Innovate with purpose; simplify the way we work
- Develop our colleagues; embrace diversity and respect one another
TD Framework Leadership Model

**lead SELF** (All Employees)

- Think Like A Customer
- Act Like An Owner
- Execute With Speed And Impact
- Innovate With Purpose
- Develop Our Colleagues

**lead OTHERS** (All People Managers)

- Connect With Customers
- Take Accountability
- Demonstrate Character
- Strives For Excellence
- Be Resilient
- Reason Critically
- Be Inclusive
- Take A Positive Approach
- Inspire Others
- Collaborate For Better Results
- Think Strategically
- Drive A Focus On Results
- Thrive In Chaotic Contexts
- Embrace Change
- Communicate With Clarity
- Identify and Develop Talent

**lead TD** (All Executives)

- Align Key Stakeholders
- Lead Decisively
- Contribute To Communities
- Sustain Profitability
- Take Initiative & Action
- Lead With A Risk Mind-Set
- Persevere
- Drive Innovation & Transformation
- Build A Diverse & Sustainable Workforce
- Promote A Compelling Vision

**Our Shared Commitments**

- All Employees
- All People Managers
- All Executives
Executive & Leadership Development

Our Purpose: To develop TD leaders; the 12,000 People Managers, 2000 Executives and High Potential emerging leaders; through the development and delivery of learning solutions focused on building the leadership capabilities that are aligned the TD Framework and Shared Commitments.

Our Focus:

New People Managers (2000 annually)

ACTIVATE – flagship leadership development program for all new People Managers (L5-12)

Existing People Managers & Emerging Leaders (12,000)

People Manager Program – flagship leadership development program for existing People Managers (L5-L12)

Leading with Impact – High Potential leadership development program

Electives – a suite of programs targeting behaviours that are proven business accelerators

AVP & VP (1800)

ELEVATE – flagship executive development program for all AVPs and VPs

Electives – a suite of programs targeting behaviours that are proven business accelerators

SVP+ (140)

SVP+ SUMMIT - Annual Summit SVP+

Electives – a suite of programs targeting behaviours that are proven business accelerators

Individual development solutions will continue to be leveraged for SVP, EVP and Group Head development

TD Vision, Purpose & Shared Commitments
ELEVATE Overview

What is ELEVATE?
- TD’s new signature executive development program for all AVPs and VPs. Launch in March 2018 and completes June 2019
- The Program is an important step in our alignment to the shared commitments, following the 2017 Leadership Summit and Business Cascades
- 2-day simulation learning experience, for groups of up to 160 participants, in a conference style set-up
- Co-designed with BTS: a leading firm in leadership development and business simulations

Demanding, stretching & challenging. Designed with the strongest VPs in mind
Realistic & Relevant to TD
Experiential, innovative & unconventional learning
Embodying Leaders teaching leaders

Design Principles

Capabilities

Authentic Leadership
Managing Talent Diversity
Powerful Communication
Leading Innovation
Coaching

Why we selected these:
- years of executive assessments has highlighted collective strengths and gaps in TD’s exec population
- interviews with HRBPs reviewing the talent plans for the businesses and capability gaps in their leaders
- structured interviews with 30 SVPs, VPs and AVPs brought focus to the real scenarios and dynamics happening in TD today
- 2017 Summit Cascade outcomes has highlighted the need to build stronger capability in these areas

Leaders Teaching Leaders

- Our CEO - Program Endorsement. Star in videos reinforcing TD’s commitment to Leadership & Executive Development, and the importance of ELEVATE as part of our cultural journey and in developing effective leaders capable of leading us to future success.
- Our Group Heads – This program will be SET owned and sponsored. Each session Sponsored by 1 Group Head and 1 EVP. Responsibilities: kick off the session, close the session and play an active role in the Day 1 evening networking and panel.
- SVPs & EVPs - Program Hosts: 6-10 Hosts per session. Responsibilities: actively involved throughout the 2 days facilitating debriefs, sharing personal narratives, POV and reinforcing the learning.
ACTIVITY: Focus on Leadership Behaviours

20 minutes
Activity – ELEVATE Simulation

- **Shared Commitments:** Develop Colleagues

- **Moment:** *When you see an opportunity to give feedback, but it may interrupt the daily flow of work...*

- **Scenario:** During a project update meeting of which you are an executive sponsor, the project lead, a high-potential AVP, is presenting on risks to reaching the next key milestone. You understand the risks, but as you look around the room, it appears many are not following. It’s a complex presentation and though the technical data she is sharing is robust and accurate, you think she’s doing a poor job validating that each person in the room is following along. Her manager, your peer and another executive sponsor, is present. You believe she could have been more effective at communicating her message if she had focused more on her audience than on the presentation and asked questions to uncover gaps in their understanding. How do you give her the feedback?
Options:

A. Wait for the right setting. You have an advisory team meeting in a few weeks with her, and you can share your observations and discuss ways to improve future meetings. Plus, her manager will likely have a debrief conversation with her and it would be more appropriate for him to deliver this message.

B. Share in the moment. Even though you both have back-to-back meetings and will undoubtedly be late, ask the AVP for a couple of minutes right after the presentation to give her feedback. This way she can circle back with the audience and confirm their understanding before the next project update.

C. Validate your opinion first. Check with your peer (her manager) before delivering this feedback. This way you can ensure that it was not just your point of view, and you and her manager can collectively determine the best course of action.
Consequences:

A. Waited too long. You miss an opportunity for effective development. The AVP can’t recall exactly what you are referring to when you share your observations and thoughts a few weeks later, and she worries she may have made the same mistake several times in the interim. She appreciates your thoughtfulness and says she will keep your feedback in mind for next time, though she wishes you had talked to her sooner.

B. Thanks for the feedback. When you pull the AVP aside, she is nervous about what you will say and anxious to get to her meeting. As the conversation continues, she realizes that you have her best interests at heart. She walks away with practical ways to improve. Your timing is crucial in creating self-awareness and increasing accountability, for both the giver and receiver of the feedback. It also empowers her to quickly “course correct” with others in the meeting by reaching out to audience members.

C. Two against one. The AVP’s manager concurs with your thoughts and observations, and asks you to share the feedback so that the AVP can hear another perspective. However, once it becomes obvious that you had first discussed the subject with the AVP’s manager, the AVP feels that she may be the subject of multiple “behind the scenes” conversations. This contributes to decreased morale.
Q&A

10 minutes  Xaviera Diaz | Fathima Jaffer | Annabella Tamburro
BREAK

5 minutes
Our TD Framework & Employee Value Proposition

The vision and purpose guide everything we do at TD
The shared commitments guide how we operate individually and collectively together as an organization;
The three pillars of the EVP bring to life the authentic experience our employees and candidates desire.

<table>
<thead>
<tr>
<th>Vision</th>
<th>To be the better bank</th>
<th>• Who we are and what we aspire to.</th>
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<tbody>
<tr>
<td>Purpose</td>
<td>To enrich the lives of customers, communities &amp; colleagues</td>
<td>• What we set out to achieve everyday.</td>
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<tr>
<td>Shared Commitments</td>
<td>Think like a customer</td>
<td>• Behaviours we need to demonstrate &amp; build across the organization – both current &amp; aspirational in nature.</td>
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<tr>
<td></td>
<td>Act like an owner</td>
<td>• Reveals how we will succeed as colleagues and as an organization.</td>
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<td></td>
<td>Execute with speed &amp; impact</td>
<td>• Are enablers to achieve our business strategies and our vision.</td>
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<td></td>
<td>Innovate with purpose</td>
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<td>Develop our colleagues</td>
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| Employee Value Proposition | Work that matters | • Delivers against the colleague element of the TD Purpose Statement |
|                            | Opportunity beyond expectation | • What we know engages our colleagues to deliver our vision, and the experience they receive from working at TD. |
|                            | Inspiring leadership          |                                   |
Tailored approach to meet business needs

- Employee Experience Journey heat-map
- Value Chain metrics & detailed data points
- Employee comments
- Summary of recommendations
- Short + long term strategy components
- Work-stream templates
Where to start?

- Make EX a consistent **business priority**, not just an annual engagement survey

- Assign responsibility to a senior executive or team to **design and deliver** on the EX

- Create a **holistic approach**, taking into account an integrated set of priorities ranging from: management practices, the workplace, benefits, work culture

- Ensure the **resources and willingness** to address employee pain points

- Update and refresh tools used to engage your employees on an ongoing basis to understand: "What does your talent expect and value?"

- Focus on pulling together the disciplines of performance management, goal setting, diversity, inclusion, wellness, workplace design, and leadership into an **integrated framework**; avoid focusing on "point-in-time engagement" only (e.g. annual surveys)

Source: Deloitte Insights, 2017 Human Capital Report