



# How **CN**

## Improved Operational Safety and **Transformed Organizational Culture**

## ***Everyone dreads the phone call in the middle of the night.***

For the safety professionals at Canadian National Railway (CN), those late-night calls are the worst part of the job. “When that phone rings, and you’re half asleep?” says Rick MacMillan, Assistant Chief Mechanical Officer, Western Region. “I pray it’s not a serious injury or fatality incident that occurred. I can handle an operating incident, but the first thing that comes to mind in the middle of the night when the phone rings is that it’s potentially tragic news.” Chief Operating Officer Rob Reilly agrees: “Any of us who have ever been to a serious injury—or worse, a fatality—it’s life-changing. And you never want to go through that again.”

Worker safety was the top priority. But with 24,000 employees and a 20,000-mile rail network, it can be challenging to keep safety at the forefront of everyday decisions. “It was very much a cause-and-effect safety culture,” remembers James Thompson, Vice President, Western Region Operations. “Go out, blitz, find what the employees are doing wrong, correct that behavior, and then move forward as if we had fixed the problem.”

This reactive safety culture focused more on compliance through discipline and less on mitigating exposure through employee engagement and leader training. This is not optimal from a safety, or an efficiency, standpoint. Even a minor incident seriously disrupts productivity. Stopping a main rail line because of an accident can cost as much as \$100,000 an hour. CN needed a safety culture shift—away from the reactive, blame-game tradition—toward a proactive culture of commitment in order to improve not only safety but also operating efficiency and costs.

When Reilly came on board in 2019, he brought a valuable tool: firsthand experience with DEKRA’s safety consulting services. He knew about DEKRA’s innovative, evidence-based safety solutions and how they could revolutionize CN’s culture. “These weren’t a bunch of PowerPoint people that were going to give you a 100-page

[presentation]. They’re actually going to get their boots on and get out there with you and witness how people are interacting, help coach, help talk about the ways you can make this thing better.”

Partnering with DEKRA resulted in a better understanding of how to manage safety, thanks to an emphasis on leadership, communication, and building relationships with employees. The partnership began in January 2020. By 2022, the results of working with DEKRA weren’t just good—they were stunning. After only two years, CN reported a 32% reduction in the Federal Railway

Administration (FRA) injury rate, with 184 fewer reportable injuries in 2021 than in 2019. The 2021 FRA injury frequency was the lowest in company history, and human-factor accidents dropped by a staggering 47%. In total, those improvements translated into a \$49 million reduction in accident costs. Most importantly, by June 2022, CN had experienced a record-breaking 525 days (and counting) without loss of life.

**“In just two short years, I couldn’t be more proud of the progress that’s been made.”**  
**— Rob Reilly, Chief Operating Officer**

## ***Engaging for Safety Success***

How did CN use DEKRA’s innovative safety solutions to transform workplace safety?

- By educating employees to understand and manage exposure, the company teaches that safety is more than compliance — it is embedded in every aspect of the job.
- Developing leaders who lead with safety and have transformational conversations creates more productive communication and builds vital trust between leaders and workers. “DEKRA is much more forward-facing, as far as engaging the hearts and minds of the folks out there on the ground, generally talking safety with them,” Thompson says. “Not talking at them; talking with them.”
- Seeking employee feedback encourages a more positive, engaging safety culture by celebrating well-performing teams and individuals vs. only speaking with employees when discipline is involved.



- Changing the organizational culture of CN at all levels and sustaining over time, creates the greatest performance improvement and sustains the change process long term, even after the formal partnership ends.
- Because DEKRA consultants have extensive field experience in railroading and similar industries, front-line supervisors trust their knowledge and credibility and are more open to their feedback.

CN created cultural change throughout the organization by:

- Enabling executives to drive organizational change.
- Teaching supervisors to lead and manage safety with an emphasis on exposure control and building strong relationships.
- Focusing on the unique challenges of serious injury and fatality (SIF) exposure reduction.
- Leveraging governance to drive leading measures for continuous improvement.

### ***Engaged and On Board for Safety***

CN's culture didn't change overnight. But increased front-line leader engagement proved a harbinger of success. Early in the DEKRA partnership, an improperly lined switch derailment brought newly trained managers together on a safety call. Thompson noticed that the leaders were now focused on "engineering out hazards," a different approach than in the past. Now they were asking about what challenges the employees have to work around, what restricted their ability to comply with safety rules, and how managers could better set up workers for success. "When I heard the team go through it on the call, that was my aha moment. I started to hear pockets of people talking consistently that way."

Longtime employees, typically unmoved by the arrival of yet another safety consultant, began engaging more actively too. They became more comfortable

approaching leaders with safety concerns and questions, confident that they would be heard and not penalized. When the results of an annual survey rolled in, employees said CN's focus on safety had improved significantly—a first in the survey's history. Workers believed that their safety was a priority for their employer, a vital sign of shifting culture. Soon after CN implemented the DEKRA approach, CN's sales and marketing team caught wind of the program and began pitching the new safety leadership methods to customers.

“We're a long way from putting up “mission accomplished” banners around here,” Reilly acknowledges. “But in just two short years, I couldn't be more proud of

“Safety truly is a value at CN. It's not just a statement that we make on an annual report. Our leaders actually engage because they want to. It's not because they have to. They understand that building relationships [is] foundational to safety.”

— Tom Brown, Head of Safety

the progress that's been made.” By focusing on mitigating exposure—instead of waiting for an accident or SIF to occur and dealing with it after the fact—CN reduced injuries, protected its assets, and literally saved lives. “We all want everybody to go home in the same condition that they showed up to work,” Reilly added.

CN leaders still dread those late-night phone calls. “Nobody should lose a limb or life because of their job,” MacMillan observes. “Having a life-altering event occur, that still keeps me up at night. No matter what we do, it's always out there. It's always lurking in our work environment, [But] DEKRA has managed to get me a full night's sleep now and again.”

**Ready to transform your safety culture?**



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