

The W. Howard Chase Award — 1995

Organization Nominated: Nova Gas Transmission, Ltd.

The Issue: Building Cross-cultural Bridges for Community Solidarity

1. Description of The Issue:

In 1993-94 Nova Gas Transmission, Ltd. Of Calgary, Alberta, Canada recognized the opportunity to move natural gas out of northern Alberta. The area, however, crossed the Lubicon First Nation Land Claim Area.

2. Why is The Issue important to the organization?

The pipelines are the only delivery mechanism in the area for the \$ multi-million dollar gas industry. The project represented a significant revenue for the industry, but more importantly, opened the possibility of business ventures for other industries, companies and aboriginal people.

3. At what levels do members of the organization participate in addressing The Issue?

Results on this project were driven by employees in the field, coordinated through the construction manager. In particular, specific knowledge and expertise within the field of land claims in Canada was a factor in concluding negotiations with stakeholders for access to the land. Final decisions and policies were ratified by senior management at the highest levels of the organization. The leaders involved worked toward a vision of social benefit that went beyond the obvious positive financial benefits for all parties. This included the community in the decision making process and enabled Nova to incorporate into its decision the advice of the Lubicon First Nation.

4. Which constituent groups are affected?

External stakeholder groups that were involved in this decision included the Canadian Aboriginal communities in the area, individual landowners and businesses that would benefit from gas delivery, and others in the oil and gas industry. Internal stakeholders included employees, managers and senior managers who were trying to initiate the system within Nova. Nova employees and management observed and saw benefit in a “new way” of working with stakeholders such as government agencies who regulate the entity. (Nova has recently become traditionally regulated.)

5. How are constituent concerns considered and acted upon?

The concerns of the community were handled on a face-to-face level. Consideration of community leaders and resident issues were dealt with in a timely and consistent manner.

6. What is the key objective of the issue management program?

Access to a land claim area for pipeline construction was and is important for conducting business in culturally sensitive areas. This is critically important since land issues will increase as Nova expands its pipeline operations into northern Canada.

7. Does issue management make a direct contribution to the organization's profitability? If so, how?

Yes. The company thus far has realized increased revenues as a result of installing and providing necessary pipeline service for the industry. As the company develops pipelines into Northern Canada, the reputation created by the Lubicon experience has been positive for Nova and aboriginal people.

8. What are the results?

Because of its willingness to build business relationships in a culturally-sensitive area, Nova now has access to the disputed Lubicon lands, creating a competitive advantage, beyond the original goal of just having access to this area.

Nomination completed by:

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Solicited by request of the IMC Board of Directors.

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