

CABINET ITEM COVERING SHEET PROFORMA

**AGENDA ITEM**

**REPORT TO CABINET**

**12<sup>th</sup> NOVEMBER 2015**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

**CABINET DECISION**

**Portfolio (Corporate Management and Finance) – Lead Cabinet Member – Councillor  
Bob Cook**

**EMPLOYEE SURVEY 2014 UPDATE**

**Summary**

This report presents an update on the Employee Survey 2014 including the benchmarking of our results by ORC International. Our survey results are positive and we have improved in most areas since 2012. From an external, multi-sector benchmarking perspective, we are advised that our performance is in the vast majority of cases better than other Local Authorities and, in the majority of areas covered by our survey, we outperform other organisations in the private, public, charities/not for profit, housing association sectors central Government and UK employers overall. The purpose of this report is to provide further analyses of the results and to outline actions taken to date and proposals for next steps.

**Recommendations**

Cabinet is recommended to:

- i. Note the report and the positive results particularly in the areas of significant improvement and in the benchmarking.
- ii. Approve next steps including endorsing the start of work to plan for Employee Survey 2016

**Reasons for the Recommendations/Decision(s)**

To obtain support through Cabinet for the approach to the Employee Survey.

**Members' Interests**

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

#### **Disclosable Pecuniary Interests**

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code)

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**RECOMMENDATIONS**

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**BACKGROUND**

1. The Employee Survey 2014 headline results were reported to Cabinet in November 2014 but are summarised within this report. The Survey was delivered to 3,485 employees, online and in paper survey format, between Monday 6 October and Friday 7 November 2014. In total, 2,342 responses were received, giving an **overall response rate of 67.2%**, which is above the 2012 and 2010 response rates (by 1.2% and 7.2% respectively) and slightly above our target rate of 66%.
2. Our survey results are predominantly positive and we have improved in most areas since 2012. Employees are expressing strong feelings of confidence in how the Council is run; how Senior Council Officers work together; feelings of being valued, engaged and empowered; and demonstrate a readiness to take responsibility for helping make the organisation be more innovative.
3. Initial analysis and key headlines from 2014 Employee Survey are:
  - a. 70% of employees feel confident with the way the Council is run, an increase of +9% on the 2012 survey result

- b. 64% would recommend Stockton Borough Council as a great place to work, there is no direct comparator for this question as it was asked for the first time in 2014 but it is higher than the benchmarking norm of 60% outlined in section 9. S.
  - c. Significant improvement has been seen in relation to employees feeling that their opinions count. The 2014 survey results are 69% which is a 27% points increase on 2012 responses
  - d. 64% of the respondents feel senior Council officers are working together effectively to make the organisation successful, a +7% increase on 2012 survey results
  - e. 64% of employees feel that the reasons for change are well communicated to them, a +9% increases on 2012 results
  - f. 61% feel the organisation manages change effectively – a positive result in the context of the amount of organisational change. NB. This question wasn't asked in previous surveys
  - g. 80% of employees feel that one of their responsibilities is to continually look for new ways to improve the way we work, this represents a +22% increase on 2012
  - h. Communication was an issue identified for improvement in the 2012 survey and the 2014 survey has indicated a positive direction of travel. 50% of employees agree communication **within** Service Groups is good in this organisation, a rise of +2% from 2012. 45% agree that communication **between** Service Groups is good in this organisation up +3% points on 2012. This is set within a context of major change as a result of service reviews etc.
  - i. 86% of employees feel that the people in their team cooperate to get the work done, an increase of +7% on 2012 results
  - j. More employees feel they have the opportunity to contribute their views before changes are made which affect their job. There has been a 6% points improvement on 2012 results from 52% to 58%
  - k. 67% of employees feel that the Council acts on the feedback it gets from its customers
  - l. The majority of employees feel that their job makes good use of their skills and abilities (78%) and 74% feel their immediate manager inspires them to do their best a 6% point improvement on 2012
4. There have been a few areas which have shown reductions in % total agreement with statements. Key issues to note include:
- a. 57% of employees agree with the statement "Poor performance is dealt with effectively" representing a -16% decrease from 2012. This is an area we explored further, see section 17 below.
  - b. 88% agree that they are clear about what is expected of them in their job this result is a -4% reduction on the results from the 2012 survey. This figure is still high as demonstrated by the benchmarking in section 9. u. and is likely to be a reflection of the changes in peoples' roles as a result of service reviews,

- c. 68% of respondents agree with the statement “In the last six months, someone at work has talked to me about my progress. NOTE: this person may or may not be your immediate manager / supervisor. It may, for example be someone who is coaching or mentoring you” a -9% decrease from 2012
- d. 59% of respondents agree with the statement “This organisation takes a genuine interest in the wellbeing of employees” a -5% decrease from 2012, this was unexpected given the amount of investment in Employee wellbeing interventions so explored further in section 14 and 15 below.

## **BENCHMARKING**

- 5. As with the 2012 Employee Survey we undertook benchmarking work with ORC International (a business intelligence company that facilitates sector specific benchmarking groups) to better understand how our results compared with others.
- 6. We are advised that our performance is in the vast majority of cases better than other Local Authorities and in the majority of areas covered by our survey, we outperform other organisations in the private, public, charities/ not for profit, housing association sectors, central Government and UK employers overall.
- 7. To complete benchmarking work, a median score (the middle score in the range of all available scores) must be achieved from all results available. ORC identify this is only possible when there are at least 7 contributing organisations for the questions.
- 8. Taking the above into account, 29 of our Employee Survey 2014 questions were able to be benchmarked. Of these 24 are above the median score, two are in line with the median score and three are below the median score.
- 9. Results above the median score were as follows:
  - a. **Compared with the benchmark norm of 39%, our score of 61% for “This organisation manages change effectively” is +22% points above the benchmark norm.**
  - b. **Compared with the benchmark norm of 37%, our score of 57% for “I am satisfied with the opportunities I have to progress (including learn, develop and/or secure promotion) in this organisation” is +20% points above the benchmark norm.**
  - c. **Compared with the benchmark norm of 55%, our score of 74% for “I have the resources I need to complete my work effectively” is +19% points above the benchmark norm.**
  - d. **Compared with the benchmark norm of 53%, our score of 70% for “I am confident with the way the Council is run” is +17% points above the benchmark norm.**
  - e. **Compared with the benchmark norm of 51%, our score of 67% for “In the last year, I have had opportunities at work to learn and develop” is +16% points above the benchmark norm.**

- f. **Our score of 80%, for “I believe that one of my responsibilities is to continually look for new ways to improve the way we work” is +13% points above the average scores for the UK overall.**
- g. **Compared with the benchmark norm of 62%, our score of 74% for “My immediate manager/supervisor inspires me to do my best” is +12% points above the benchmark norm.**
- h. **Compared with the benchmark norm of 53%, our score of 65% for “I feel a strong sense of belonging to this organisation” is +12% points above the benchmark norm.**
- i. **Compared with the benchmark norm of 43%, our score of 54% for “I believe that action will be taken on problems identified in this Survey” is +11% points above the benchmark norm.**
- j. **Compared with the benchmark norm of 57%, our score of 68% for “This organisation does a good job of keeping me informed about matters affecting me” is +11% points above the benchmark norm.**
- k. **Our score of 45%, for “Communication between Service Groups is good in this organisation” is +10% points above the average scores for UK overall and the public sector (UK).**
- l. **Compared with the benchmark norm of 66%, our score of 74% for “I am able to strike the right balance between my work and home life” is +8% points above the benchmark norm.**
- m. **Compared with the benchmark norm of 74%, our score of 82% for “I have the information I need to do my job effectively” is +8% points above the benchmark norm.**
- n. **Compared with the benchmark norm of 52%, our score of 59% for “This organisation takes a genuine interest in the wellbeing of employees” is +8% points above the benchmark norm.**
- o. **Our score of 79%, for “I have the authority I need to do my job effectively” is +7% points above the average scores for the UK overall.**
- p. **Our score of 69%, for “Where I work my opinion counts” is +7% points above the average scores for the private sector (UK) and the UK overall.**
- q. **Compared with the benchmark norm of 52%, our score of 57% for “Poor performance is dealt with effectively” is +5% points above the benchmark norm.**
- r. **Compared with the benchmark norm of 74%, our score of 78% for “My job makes good use of my skills and abilities” is +4% points above the benchmark norm.**
- s. **Compared with the benchmark norm of 60%, our score of 64% for “I would recommend this organisation as a great place to work” is +4% points above the benchmark norm.**
- t. **Compared with the benchmark norm of 73%, our score of 77% for “My immediate manager communicates effectively” is +4% points above the benchmark norm.**

- u. **Compared with the benchmark norm of 85%, our score of 88% for “I am clear about what I am expected to achieve in my job” is +3% points above the benchmark norm.**
- v. **Compared with the benchmark norm of 84%, our score of 86% for “The people in my team co-operate to get the work done” is +2% points above the benchmark norm.**
- w. **Compared with the benchmark norm of 66%, our score of 67% for “We act on the feedback we receive from customers” is +1% points above the benchmark norm.**
- x. **Compared with the benchmark norm of 85%, our score of 86% for “I understand how my work contributes to the success of the organisation” is +1% points above the benchmark norm.**

10. Results broadly in line with the benchmark median score were as follows:

- a. **“My manager treats me with respect as an individual” our score of 84% is the same as the benchmark norm** and public sector and the UK overall on average and 1% greater than private sector UK (83%).
- b. **“I am treated with fairness and respect in this organisation” our score of 76% is the same as the benchmark norm.** It is below the average scores for charities/not for profit (80%), housing associations and public sector (both, 77%). It is above average scores for private sector (UK) (75%), UK overall (73%) and central Government (72%).

11. Results below the benchmark score were as follows:

- a. **Our score of 73% for “My manager encourages us to come up with new or better ways of doing things” is 1% point below benchmark norm.** It is however just above the public sector (72%) and the private sector (UK) (68%).
- b. **Our score of 68% for “In the last 6 months, someone at work has talked to me about my progress” is 4% points below benchmark norm.** It is also below housing associations and charities/not for profit (both, 76%), private sector (UK) (75%), UK overall (73%) and public sector (72%).
- c. **“I receive regular and constructive feedback on my performance” our score of 63% is 3% points below benchmark norm.** It is also below charities/not for profit (72%), housing associations (68%) and public sector (64%). It is however the same as central Government (63%) and just above the average score for UK overall and private sector (UK) (both, 62%).

## **ACTIONS**

12. The results from both our Employee Survey 2014 and the benchmarking work were overwhelmingly positive. Therefore we looked at areas that had dipped slightly from the 2012 survey and that were not being directly addressed elsewhere. Issues around receiving feedback on performance and employees progress were both being addressed via the review of the Appraisal system from which a new approach is just about to be launched. The areas for action identified were:

- a) Employee Wellbeing

## b) Tackling Poor Performance

13. Individual Services received the results of the Employee Survey and developed their own action plans to address issues in their service area, particularly around tackling poor performance.
14. In addition both of the areas for action were included in the work for the September 2015 Innovation Challenge (a corporate activity where cross-cutting teams of employees across the council work together to resolve specific issues) to ensure that they were fully explored by a wide range of employees from different service areas.
15. Employee Wellbeing was also referred to the Shaping a Brighter Future (SBF) 'Employee Wellbeing and Retention' workstream to further examine the issue.
16. The recommendations for Employee Wellbeing from both lines of enquiry are:
  - Refresh our People Strategy (2013 – 2016)
  - Review and consider strengthening the package of benefits available to our employees and improve awareness of them throughout the organisation
  - Improve personal development opportunities (e.g. coaching, skills/ talent pool, secondments, volunteering opportunities) and clearer career pathways
  - Improve manager awareness of team health and wellbeing
  - Raise awareness with managers of the positive improvements in health and wellbeing of one to ones, appraisals and ad hoc acknowledgements
17. With regard to tackling poor performance, in addition to being the subject of an Innovation Challenge in September an online follow up survey was also conducted.
18. The findings and recommendations for Tackling Poor Performance from both lines of enquiry are:
  - Poor performance, although selected as an area to examine, is fairly uncommon, but where it occurs it demotivates others in the staff team. There is a perception that when it is tackled it rarely leads to improved performance
  - Employees felt performance at work was affected by a range of different factors under the following themes: age, change, external 'life' factors, organisational factors, career development prospects, communication, health and personal feelings.
  - The main driver of poor performance at work was seen as 'lack of development opportunities at work'
  - Key ways identified to improve how poor performance is tackled were identified as:
    - Improve recruitment, induction and probation processes
    - Improve employee motivation
    - Improve communication between managers and staff (one to ones, appraisals and ad hoc interactions)
    - Improve personal development opportunities (skills/ talent pool)



- Improve managers' awareness of what poor performance is, how it is perceived and how to tackle it ('difficult conversations', alongside positive coaching and mentoring)
- Provide support to employees after change has happened, not just before and during

## **NEXT STEPS**

19. The HR service and the SBF workstreams are making sure that the findings and recommendations outlined above are included in HR policies, strategies and initiatives that cover these issues.
20. With cabinet approval work to develop a methodology for administering the Employee Survey 2016 will start in November 2015.

## **FINANCIAL IMPLICATIONS**

21. The actions are to be met through existing services and budgets and /or secured external funding.

## **LEGAL IMPLICATIONS**

22. There are no legal implications arising from this report.

## **RISK ASSESSMENT**

23. The development of the Employee Survey is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce the risk.

## **COUNCIL PLAN THEMES**

24. The Employee Survey supports the Your Council theme within the Council Plan.

## **EQUALITIES IMPACT ASSESSMENT**

25. N/A

## **CONSULTATION INCLUDING WARD/COUNCILLORS**

26. N/A but will take to a future members policy seminar.

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