

**REPORT TO: AUDIT AND PERFORMANCE REVIEW COMMITTEE
ON 9 NOVEMBER 2011**

**SUBJECT: EMPLOYEE ENGAGEMENT PROGRAMME –
RESPONSE TO EMPLOYEE SURVEY 2011**

BY: CORPORATE DIRECTOR (CORPORATE SERVICES)

1. REASON FOR REPORT

- 1.1 To ask the Committee to review the proposed Employee Engagement Programme aimed at changing the employment culture within the council and addressing the issues identified in the 2011 employee survey, which was considered by Policy and Resources Committee on 8 November and is subject to consultation with the trade unions.
- 1.2 This report is submitted to Committee in terms of Section J(10) of the Council's Administrative Scheme relating to scrutinising the policies of the Council and their effectiveness in meeting the Action Plans of the Council as set out in the Corporate Development Plan.

2. RECOMMENDATION

2.1 It is recommended that Committee reviews:

- (i) the employee engagement programme aimed at changing the employment culture within the council and addressing the issues identified in the 2011 employee survey and**
- (ii) the employee charter,**

and notes that both are subject to consultation with the trade unions and any significant issues or changes being reported back to the Policy and Resources Committee.

3. BACKGROUND

- 3.1 Employee engagement has had an increasing profile over recent years and is now generally recognised as making a significant contribution to the effectiveness and success of an organisation. There are a range of definitions to help explain the concept. The Chartered Institute of Personnel and Development define employee engagement as a combination of commitment to the/
- to the organisation and its values and willingness to help out colleagues (organisational citizenship). While the IDEA explain that employee engagement is about how people behave at work. It refers to the extent to which people in an organisation know what they have to do, and willingly give of their discretionary effort to do that. It is the difference between people coming to work and doing an adequate job, and people coming to work and really giving of their best, displaying creativity and using their initiative.

- 3.2 The challenge for the Council as an employer is to set a clear context for employees; to help employees recognise the significant difference they are making on a daily basis and in return, to acknowledge that contribution and ensure employees know they are valued through the way they are managed. Key to success is ensuring that corporate priorities become embedded in the organisational culture, and that staff across all services and at all levels have opportunities to contribute to the delivery of successful outcomes.
- 3.3 Our 2011 employee survey results (as reported to the Council meeting on 28 September 2011) show that the vast majority of employees enjoy their job and 85% are happy to go that extra mile when needed. Over 8 in 10 also believe that they can make a difference in their day to day work. The survey shows that the Council's workforce has a strong public service ethos and our overall engagement index from the survey results is 72%, higher than others in the public sector benchmark. However, there are less positive results in relation to views of the council as a whole with less than half being aware of what the Council is trying to achieve. Leadership, council culture, management of change and cross service communication are all areas where the employee survey shows lower percentages of positive feedback. There is also wide variation in the results across services. This suggests inconsistency of management practice and that there is a degree of disconnect between the "corporate" council and its employees. These are issues that could be addressed through a strongly led and consistent employee engagement programme.
- 3.4 On 4 October 2011, the Council held its third annual employee conference. During the two discussion group sessions the issues from the employee survey were explored to gather more information and consider options for improvement. An outline of the proposed employee engagement programme was also discussed to test out employees views.
- 3.5 As was noted at the Council meeting in September, there are large number and wide range of issues raised in the employee survey and this was also true of the employee conference discussion groups. In responding to previous surveys, action plans have focussed specific issues which can have more relevance to some groups of employees than others, are difficult to take forward corporately and can result in a view that nothing is being done. Both the survey and the conference indicate more generic areas where there would be benefit from a consistent council approach, particularly around communication and leadership. Therefore, it is suggested that a broader programme/

programme of action should be developed to advance the employee engagement agenda within the council and respond to the issues raised by the workforce.
- 3.6 An employee engagement proposal is set out in **Appendix A**. This gives a definition of employee engagement for use within the Council, sets out what it would be hoped to achieve and provides a programme of action over a period of two years. It is important that employee engagement is seen as an ongoing

process and that each stage is used to inform and develop the next. A diagram has been prepared which summarise the process as a cycle (**Appendix B**).

- 3.7 Attached as **Appendix 1** to the engagement programme is a draft Employee Charter which sets what the council offers employees, how managers will manage and what is expected of employees in return. This is seen as establishing a linchpin for the employment relationship by setting the standards the organisation expects.
- 3.8 While the concept of employee engagement and the actions proposed in the engagement programme are not individually complex, this does represent a considerable change in approach and culture for the council. To date individual managers have been given wide discretion as to how they manage their staff. So, for example, to set council wide standards for frequency and duration of meetings, set topics and provide briefing materials will be a marked change from current arrangements. This will require to be supported and monitored and so training and reporting arrangements are included in the proposals.
- 3.9 In an effort to pull together all of the issues that have been identified and how the actions in the engagement programme would address these **Appendix C** has been prepared. This provides a summary of the main themes from the discussion groups set alongside similar issues from the employee survey and aligned to proposals in the draft employee engagement programme that might lead to improvements in the areas identified.
- 3.10 It is planned to assess the effectiveness of the engagement programme by assessing progress against the success criteria set out in the programme and summarised on **Appendix C**. This will be done by monitoring the results of future employee surveys. It is also planned to explore options for one or more smaller surveys between the major biennial employee survey so that progress on the direction of travel can be gauged and action taken without waiting two years to assess whether the programme is successful.

4. **SUMMARY OF IMPLICATIONS**

- (a) **Single Outcome Agreement/ Service Improvement Plan:** The proposals will support the Council in delivering the SOA and Service Improvement plans in that they aid communication with the workforce and should help employees to understand and contribute to the council's priorities.
- (b) **Policy and Legal:** None
- (c) **Financial implications:** None directly from this report. There may be costs associated with surveys to monitor progress but this will be contained within existing budgets.

- (d) **Risk Implications:** This is a new approach and if it is to succeed a strong corporate lead will be required as lack of consistency or application will undermine the overall effectiveness programme.
- (e) **Staffing Implications:** There are resourcing issues associated with the changes. There will be a requirement for management time to be dedicated to workforce management, where again in the past this has been entirely at the individual's discretion. While this will not have a financial cost it may mean that issues within services need to be re-prioritised and this will be managed through the normal departmental management teams.

The programme also suggests increased councillor involvement with services which would make additional demands on the time of some elected members.

- (f) **Property:** None
- (g) **Equalities:** None
- (h) **Consultations:** The Corporate and Senior Management Teams have been consulted and are in support of the proposals. The employees who attended the employee conference were made aware of the proposals and were generally supportive. Formal consultation will require to be undertaken with the trade unions if the Committee is supportive of the proposal to progress an employee engagement programme.

5. **CONCLUSION**

- 5.1 The Council's employee survey highlighted a number of areas of strength as well as some areas for improvement. With significant variation in results across services, there is scope to share good practice and develop consistency. Line management are viewed positively and this resource can be harnessed to progress the council's corporate priorities. The results of the survey were explored with the employee conference attendees to help secure a better understanding of the results and actions that might lead to improvement.
- 5.2 For previous surveys actions have focussed on specific issues, which have had a diluted impact and may have contributed to the perception that action is not taken on the feedback. For the 2011 survey, it is proposed that the council takes action to address more general, council wide findings, through a whollistic approach. An employee engagement programme which sets consistent standards across the council for the management of the workforce is proposed. The impact of this will be monitored against the success criteria set out in the programme and specifically through future employee surveys

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Background Papers: Report to Council 28 September 2011 – Employee Survey
Results 2011
Ref: I:\Reports\A&PR\Employee Engagement 09-11-11.doc