



REPORT TO: POLICY & RESOURCES COMMITTEE ON 24 OCTOBER 2017

**SUBJECT: EMPLOYEE ENGAGEMENT AND WORKFORCE CULTURE
UPDATE**

BY: ACTING CORPORATE DIRECTOR (CORPORATE SERVICES)

1. REASON FOR REPORT

- 1.1 To advise the Committee of the progress made against the aims and objectives as set out in the action plans for employee engagement and workforce culture and to agree the future direction and areas for development.
- 1.2 This report is submitted to Committee in terms of Section III (B) (27) of the Council's Scheme of Administration relating to formulating, supervising the implementation of and review as necessary the policy and practices of the council for all employees in relation to the recruitment, training and development, health, safety and welfare and practices of the Council.

2. RECOMMENDATION

2.1 It is recommended that Committee:-

- (i) **considers and notes the progress made against the aims, objectives and action plans of the employee engagement and workforce culture programmes;**
- (ii) **considers and notes the actions that have been concluded and those that will continue to be developed or carried forward; and**
- (iii) **agrees the future direction and areas for development as set out in the report, including whether there is a requirement for the culture working group to continue, and if so its membership.**

3. BACKGROUND

- 3.1 In 2006 the council conducted its first corporate employee survey, introduced as a way to engage with the workforce on a range of employment related issues in a manner that enabled systematic analysis and action. Surveys have been conducted regularly thereafter generally on a two yearly cycle as this allows for actions to be designed, implemented and embedded before the next survey takes place.
- 3.2 Survey results have allowed the council to measure progress and monitor the responses from the workforce. Whilst there was a continuing theme in the

results from each survey that indicated that the vast majority of employees had a strong public service ethos and a high level of engagement, the results also showed that the workforce were less positive about some areas and analysis showed that there was variation in the results across services. Combined with anecdotal evidence these results suggested inconsistency of management practice and a degree of disconnect between the corporate council and its employees.

4. EMPLOYEE ENGAGEMENT

- 4.1 In 2011 the Policy and Resources Committee [para 9 of the Minute dated 8 November 2011 refers] approved the introduction of a comprehensive employee engagement programme aimed at developing the employment culture within the council and addressing the issues identified in the 2011 survey.
- 4.2 This recognised the significant contribution to the effectiveness and success of an organisation of positive employee engagement, often explained as 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, willingly giving their discretionary effort to do that.
- 4.3 The agreed employee engagement programme was implemented in early 2012 and contained a series of measures designed to provide clear effective leadership to share vision, set direction, acknowledge progress and provide a clear narrative to help employees understand where they fit in, empowerment of managers as the conduit for information flow up and down the organisation and improve delivery of key messages to the workforce whilst providing pathways for two-way communication.
- 4.4 The programme has been refined since implementation based on feedback from the workforce and managers to ensure the constituent elements remain fit for purpose and relevant with regular progress updates reported to Committee. A copy of the latest summary is attached as **Appendix 1**.
- 4.5 Improvements are evident from successive survey results in 2013, 2015 and 2017 with a gradually increasing participation rate and an increase in positive responses as indicated by the summary index scores on all employment themes.

5. WORKFORCE CULTURE

- 5.1 In the 2013 employee survey 8% of respondents reported that they had experienced bullying or harassment in the workplace. In May 2014 a specific bullying and harassment survey was conducted to establish more information on the nature of the problem and a significant point that emerged was that the issues were related to general behaviour, the “way things were done”. The key message was that across all areas employees were reporting a challenging working environment as a result of the others and/or an excessive workload with unrealistic targets.

5.2 In response to this situation the Council established the Culture Working Group (CWG) made up of 3 members, 3 officers and 3 trades unions' representatives and subsequently approved resources to undertake the work identified by the CWG. In September 2014 the CWG agreed the overall purpose was to create a positive workforce culture where morale is good, people are proud to work for Moray Council and would recommend it to others. A set of aims, outcomes and indicators used to measure progress were identified and this was developed into an action plan in March 2015. As with the employee engagement programme, the programme has been refined in response to feedback and assessment of impact with regular updates reported to Committee. A copy of the latest summary is attached as **Appendix 2**. The CWG has not met since the local elections in May and consideration is required as to whether there is a requirement for the group to continue, and if so its purpose and membership.

5.3 Analysis of the employee survey results are the main tool with which the success of the actions implemented to create a positive workforce culture and these are beginning to show some improvements indicating that the wider workforce culture programme of activity and the more specific focused areas of work with services are beginning to have a positive impact. The 2017 results show that fewer employees feel subject to unacceptable behaviour or bullying in the workplace with a positive reduction to 16% in 2017 compared to 19% in 2015. More specific questions related to management and team, work related issues and behaviour.

Responses regarding management and team indicate an improvement of between 3 and 5% from the 2015 survey in relation to employees feeling that they trust their line manager / supervisor to communicate openly and honestly with them, believing their line manager / supervisor cares about their well-being and that their team co-operates and works well together.

In terms of work related issues e.g. employees being clear what their duties and responsibilities are, having a choice in deciding what work they do and having a manageable workload with realistic time pressures, there was little variation in comparison to the 2015 results.

Results for questions on behaviour saw an improvement in responses to all questions which are around how many employees feel subject to unacceptable behaviour / bullying, being aware of the appropriate reporting channels, and a new question on harassment which will be monitored in future surveys.

It is also worth noting that the work of the Culture Working Group has been achieved a 2017 CoSLA Excellence Award.

6. **NEXT STEPS**

- 6.1 When it was introduced, the employee engagement programme brought a range of activities together, both new and existing, to improve communication with the workforce and facilitate increased employee engagement. These activities set the foundations for developing the employment culture within the council.
- 6.2 As further surveys revealed more about possible underlying issues in relation to bullying and harassment, generally unacceptable behaviour and workload issues, the workforce culture programme developed a two pronged approach: honing in on more specific areas identified as issues from the surveys whilst also taking a wider more strategic approach across the organisation looking at developing systems and structures that would be effective and sustainable in the longer term in improving the workforce culture.
- 6.3 As the engagement and culture work have developed they have become closely aligned, with actions contributing to both. Given the significant overlaps, it is proposed that moving forward the action plans are combined into one to ensure a single clear and comprehensive engagement and culture approach.
- 6.4 Targeted workforce culture activity within services, anecdotal evidence from the employee engagement programme and survey results have highlighted that while there are improvements (e.g. in the number of ERDPs undertaken and in communications), ongoing work is still required to improve the culture to a consistent level across the organisation. The main common denominator that will have the biggest impact on cascading improvements for the workforce is the role of the manager at all levels within the organisation. It is therefore proposed that the ongoing engagement and culture work has a specific focus on developing the capacity of and empowering staff who are responsible for others as part of a team or service as well as tackling more situational issues that may arise within different areas in order to instil and embed a consistent level of management practice that will have a beneficial impact on the workforce.
- 6.5 It is proposed that the future work of the engagement and culture activity will continue, embedding and cascading the activity to date, whilst supporting the main themes arising from the 2017 survey as follows:
- Continue to disaggregate the results to an incremental bespoke approach focussed specifically on the requirements of services
 - Focus engagement and culture activity on building the leadership and management capacity within and across services, particularly within the services with the lowest survey results
 - Adaptation of solutions to suit services
 - Development of proposals and timelines to progress with manageable sections of the workforce following discussions with management teams on survey results
 - Development /
 - Development of monitoring arrangements

- Work to promote and inform on the role of elected members

7. SUMMARY OF IMPLICATIONS

(a) Moray 2026: A Plan for the Future and Moray Corporate Plan 2015 - 2017

The work proposed in this report is linked to Section D of the Corporate Plan that set out how the Council will meet the challenges, how we will make best use of our workforce and resources. In particular, it would ensure continued progress of the aim of ensuring there is cultural change within the Council and that this is designed to eradicate bullying and harassment, creating a positive workforce culture.

(b) Policy and Legal

There are no legal implications arising from this report although the engagement and culture work continues to provide a firm foundation from which to address issues arising from the employee survey.

(c) Financial implications

There are no financial implications arising from this report.

(d) Risk Implications

The risks associated with workforce culture are around the consequences of leaving the culture issues unaddressed and the complexity and challenge of dealing with behavioural issues.

The developmental nature of the work combined with the long term nature of establishing a cultural shift in behaviours means there are long term maintenance requirements to be accommodated before a permanent step change in culture can be assured.

(e) Staffing Implications

There are no staffing implications arising from this report.

(f) Property

There are no property implications arising from this report.

(g) Equalities

There are no equalities implications arising from this report.

(h) Consultations

There have been no consultations on this report.

8. CONCLUSION

- 8.1 There has been significant progress across all of the planned work for both employee engagement and workforce culture. This has included establishing a strong engagement framework of activity, policies and guidance along with practical application for culture and improvement work with specific actions aimed at generating change in behaviour. Improvement actions are in place with continued commitment from**

managers and employees to make this work, although work is required to ensure the improvements are sustained within services by managers and employees.

- 8.2 Consideration of the requirement for Culture Working Group, its purpose and membership is required.**
- 8.3 The impact of the engagement and culture programme will be monitored and measured on an ongoing basis using a range of measures including future employee survey results, interim or pulse surveys, standard employment practices e.g. feedback through Trade Unions and the engagement and culture activities with an annual update report to this Committee.**
- 8.4 It continues to be beneficial to have an inclusive approach to the engagement and culture work.**