

# **BUSINESS SUPPORT OVERVIEW & SCRUTINY COMMITTEE**

**13 July 2023**

## **EMPLOYEE SURVEY 2022**

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### **Summary**

To present the key findings of the Employee Engagement Survey 2022 and outline key actions going forward.

#### **1. Budget and policy framework**

1.1. This report is for information and lies outside the council's policy and budget framework or Council Plan.

#### **2. Background**

2.1 This report gives highlights from the results of the 2022 Employee Engagement Survey. The survey covered key organisational areas that affect day-to-day working life at the council - during a snap-shot in time (5<sup>th</sup> to 30<sup>th</sup> September 2022).

2.2 The results of the survey were shared with Corporate Management Team (CMT) on 22 November 22 and have since been shared with the workforce via a series of virtual presentations and face to face workshops.

2.3 This report shares the main themes that came from the survey results, and sets out the priorities for further action agreed by CMT.

#### **3. Options**

3.1 The Employee Survey is a recognised tool for understanding how the organisation is feeling about work-related matters at any particular time. These matters include career satisfaction, pay, reward and recognition, communication and engagement, development, work-life balance and more.

3.2 All the above factors form part of our attraction and retention strategy so it is crucial for the organisation to understand what it is doing well in these areas, and where improvements need to be made.

3.3 Not only that, for employees to be motivated in their work (which has a positive knock-on effect on performance and service-delivery) employees need to feel they have a part to play in how things are done and have a voice

that is heard, understood, and acted upon wherever possible. Employee surveys are a tool widely used for this purpose across organisations.

## 4. Advice and analysis

4.1 There were a number of aims for the survey, these were to:

- make observations and recommendations about key work place practices that have potential to create a negative impact on staff motivation, performance and service delivery.
- get a ‘flavour’ for how the workforce is feeling in general and whether there are any significant changes in attitude since the previous survey in 2019 (taking into account the ‘world-of-work’ has changed considerably for many).
- inform the direction of the Employee Engagement Strategy 2023-25
- discover manager and employee views on the impact of the *Our Ways Of Working Policy* (OWOW Policy) for themselves, their teams, their performance and wellbeing.
- support directorate management teams through the provision of survey results, filtered to service manager level, enabling identification of areas of good practice and/or concern.
- determine the effectiveness of current employee communication and engagement processes at both corporate and directorate level.
- create a set of benchmark data for the Employee Value Proposition/Our People Promise (appendix one) to identify areas requiring development.
- inform a holistic approach to workplace wellbeing policy covering mental, financial, and physical wellbeing.
- identify any areas where minority groups may feel marginalized and/or where further work is needed. In addition, identify whether the council should have any concerns around how bullying and harassment issues are dealt with.

4.2 This report highlights some key themes arising from the survey. CMT have access to the complete set of results on Power-Bi, enabling results to be analysed by the council as a whole, by directorate, division and service (where there is a large enough sample to prevent identification of individuals).

### 4.3 Key data and response rates

- 58% response rate (compared to 48% in 2019)
- Margin of error +/-1.8%
- Free text responses: in total 2,972 comments were made across the survey

The table below shows the response rates per directorate

Directorate	%	Directorate	%	Directorate	%
Children & Adults, Public Health	60%	Regeneration, Culture & Environment	43%	Business Support	68%

### 4.4 The results - what are the findings telling us? How people feel about working for Medway Council

Staff were asked questions specifically around how they feel about working for the council. These questions have been asked for several years and responses are consistent each time. Comparing 2022 to 2019 it is positive to

see there is improvement, albeit slight in most areas. Some of these questions are culture related so we do not expect large increases as culture change is a slow process that responds to a number of significant workplace factors. The results tell us that whilst we are heading in the right direction, the council must continue to seek to improve upon, and actively develop, processes that impact positively on culture change.

Examples of these responses are:

Question	2019	2022
I would recommend the council as a place to work	55%	62%
The council motivates me to help it achieve its objectives	39%	46%
I feel part of the council family, and have good opportunities to connect with colleagues	53%	58%
The council inspires me to do my best in my job	42%	49%
I feel a strong personal attachment to the council	47%	50%
I care about the future of the council	79%	79%
I am proud to tell others I work here	54%	62%

#### 4.5 Pay, benefits and monetary recognition

4.6 With over 300 free-text comments, mostly sharing their dissatisfaction about minimal pay rises and the MEDPAY process, it comes as little surprise that 28% of respondents were satisfied with the total pay and reward package (compared to 39% in 2019). Free-text comments are primarily concerned with:

- (i) low pay and cost-of-living.
- (ii) neighbouring authorities and private sector pay more than Medway for the same job.
- (iii) the MEDPAY process does not allow for pay advancement or career progression.

Below is a typical example:

*I do not feel the current pay system encourages me to "move up" to the next pay level, or that its particularly clear how I would do that. For my particular role , I would get much more pay doing the same job in the private sector, and the rewards listed above are not enough for me to consider staying at Medway long term, especially in an ongoing financial crisis*

4.7 Employees were asked to choose from a number of options how they would like to be recognised (apart from pay), 79% of respondents said they would like more time off as extra leave – this is consistent with preferences in previous years.

4.8 When asked to give examples (in their own words) of preferred reward-related recognition, the top five results were:

- (i) buying and selling annual leave.

- (ii) discounts at council leisure centres and events.
- (iii) wellness days as special leave.
- (iv) long service awards.
- (v) subsidised parking in council car parks.

4.9 The results are telling us that pay and the cost-of-living crisis, the MEDPAY process and employee benefits on offer are not giving the majority of staff satisfaction. Free text comments indicate this will be one of the main reasons staff choose to leave the council if nothing changes.

4.10 When asked, 58% of respondents said they wanted to stay working for the council for at least the next three years, with 8% wanting to leave within the next 12 months. It is envisaged the MEDPAY review will help resolve some issues around pay and career progression, but work is needed to improve our employee benefit offer to give, where we can, the type of benefits staff welcome.

#### 4.11 **Medway Managers, how supported do they feel?**

4.12 28% of respondents indicated they were managers. 80% of this group agreed they felt well equipped to do their job, an increase of 12% since 2019. When asked to put in their own words how they would like to be better supported, the top responses were:

- (i) better communication and better links to their senior management.
- (ii) more management training.
- (iii) more resources to relieve pressure on teams.

The top three training courses managers attended were:

- (i) Undertaking PDR's (71%),
- (ii) Interviewing for recruitment (47%), and
- (iii) Performance Management (37%).

4.13 Areas that impact on motivation or the 'softer skills' were less attended, such as employee engagement (17%), building trust (13%) and improving feedback (10%).

4.14 The main reason given for not attending any training was 'not enough time' (39%).

#### 4.15 **The OWOW Policy– managers and employee views**

4.16 Managers and staff were asked separately for their opinions on working across the four the workstyles (note: managers will have been asked to complete questions both in their role as a manager, and as an individual employee).

#### 4.17 **Managers' views**

4.18 Managers were asked specifically about how the policy supported management of their team, and the effectiveness of the team – this is what they told us.

4.19 When asked, 84% of managers agreed overall that hybrid working was a positive step forward for helping the council achieve its strategic objectives.

- 4.20 Managers were asked to identify the work styles currently used within their teams;
- 80% worked a flexible 'home' arrangement.
  - 73% worked a flexible 'mobile' arrangement.
  - 62% worked a flexible hybrid work pattern.
  - 34% had a fixed 'home' work arrangement.
  - 51% a fixed 'hybrid' arrangement.
  - 38% a fixed 'mobile' arrangement.
- 4.21 Positive results were received from managers in terms of how they manage their team working across the four workstyles with 92% saying they can communicate effectively with their team, and 92% saying their team is productive.
- 4.22 More negative results appear around the OWOW Policy, with less than half (47%) agreeing it supports recruitment and retention in their team, 52% agreeing the policy helps them engage with and motivate the team and 51% agreeing it helps them challenge performance issues.
- 4.23 It can be noted that a significant number of managers chose neither agree or disagree when asked questions about the OWOW Policy – possible reasons for this are:
- the policy is relatively new, has not been fully embedded, and anomalies and challenges are yet to be resolved, or
  - the policy is not directive enough as it places the decision on the manager rather than corporately.
  - For front line service a change or work pattern and the use of flexibility is not possible so not a relevant question.
- 4.24 Managers of teams with flexible working arrangements in place were asked whether there should be a set agreed minimum amount of time staff should spend in a council office. There was an inconclusive result i.e., 55% of those working 'hybrid' arrangements agreed there should be - for those working a flexible 'home' arrangement 53% agreed there should be, and 51% of those with a flexible 'mobile' arrangement in place agreed there should be.
- 4.25 **Employee views**
- 4.26 The survey results indicate that generally staff are positive about the four workstyles and the impact it is having on their working life with 76% agreeing the flexible working option is a positive benefit of working for the council.
- 4.27 Whilst there are some lower rated areas such as 56% agreeing it supported their financial wellbeing and 61% agreeing it supports equal opportunities for them, similar to the manager's responses, there are still considerable numbers of people who neither agree or disagree.
- 4.28 Staff were asked to compare their performance and productivity levels now to before the pandemic. 48% agreed they were better, with 34% saying they hadn't changed, and 3% agreed they were worse. 50% agreed their PDR's and 1-2-1's were equally as effective as before, with 28% saying they were more effective.

- 4.29 Note: There were a number of free-text comments from staff raising the issue of inconsistencies of application of the OWOW Policy across the council, this was seen as unfair and demotivating to some.
- 4.30 **Employee communications, engagement (including senior leadership engagement) and non-monetary recognition**
- 4.31 Firstly, it is positive to note that 58% of the workforce completed the survey (10% increase from 2019). This indicates a relatively good level of engagement on this occasion – as typical response rate for a non-mandatory workplace survey would be 40% or lower).
- 4.32 61% agreed that overall, they have enough opportunities to tell us what they think. leaving 39% of respondents who believe their voice is not being sufficiently heard.
- 4.33 84% of respondents said they want to hear about council plans and progress, yet only 45% felt well informed. This has been a consistent trend in previous surveys and has marginally changed since 2019, despite the impact of different ways of working and an increased flow of communication using electronic methods.
- 4.34 Staff were asked to select their preferences for two-way communication from a number of choices, the top three preferences are:
- (i) directorate drop-ins with their director and management team.
  - (ii) service-specific drop-ins with their service manager.
  - (iii) webinars with an opportunity to ask questions in real time.
- 4.35 Staff who completed the survey are sending a message that they want to engage within their own service. However, 39% say their DMT acts on employee feedback, 39% agree their DMT will take action from the survey, and 40% agree DMT's try to involve employees in important decisions. There appears to be a missed opportunity for communicating key messages and engaging with staff at a directorate level.
- 4.36 71% rated two-way communication between their service manager and employees to be either good or very good, but this drops to 43% for two-way communication with their director and 39% for CMT. This is not unusual in terms of organisational communication in a tall hierarchy such as ours, however, it is acknowledged we want this to be greater.
- 4.37 Line management level results indicate a more positive outcome; for example, 82% of respondents believe their line manager will do what they say they will do, compared to 42% of staff who believed their DMT's would.
- 4.38 With 90% of staff agreeing their line manager is approachable, it can be accepted they feel better connected with their line manager. This valued 'bond' can be used to the organisation's advantage in terms of communicating key messages to staff, especially during change.
- 4.39 The results indicate line managers engage positively with their staff. 74% of employees agree their line manager supports them to try new ideas, even if they do not work, 76% are open and act on their ideas where possible, and 74% ask for their ideas during change.

#### 4.40 **Non-monetary recognition**

4.41 84% of staff say their manager recognises them for a job well done – this is a very welcoming result and consistent with previous surveys. When asked how staff would prefer to be recognised (apart from pay):

- 32% said verbal recognition,
- 31% preferred written recognition (personal) email from their director, and
- 24% would prefer a service-specific award.

This tells us that staff are looking to their own service for recognition in perhaps a smaller gesture or thanks, when compared to the more grander and widely promoted gestures such as the Make A Difference Awards (12%) or public thanks (5%).

4.42 The results overall tell a clear story; staff agree line managers are engaging with them but DMT's not so much. However, it is positive to find out from staff themselves they wish to hear and engage more with their DMT's and be thanked for a job well done from a leader within their service, giving ample scope for DMTs to increase not only their visibility but also implement communication and engagement processes that would be welcomed.

#### 4.43 **Our People Promise: do we deliver what we promise?**

4.44 A People Promise tells existing staff and potential recruits what they can expect from an organisation in terms of culture, work practices and values. It is crucial the 'promise' is a true reflection of these practices as failure to keep the promise 'real' has the potential to demotivate staff and see them voting with their feet.

4.45 Questions are embedded within the survey to test 'Our People Promise' (appendix one) and provide benchmark data for HR Services to determine where further interventions are needed. Results indicated that areas such as supportive teams, supportive managers and those who feel comfortable to be themselves at work without fear of discrimination are an honest representation. However, pay and reward and career progression are the areas that fell significantly short and as such the People Promise has been reviewed taking into account these comments. We are now comfortable that our People Promise is a fair reflection of how our workforce feel, based on the results of the employee survey 2022.

#### 4.46 **Employee Wellbeing**

4.47 The survey takes a holistic approach to workplace wellbeing, asking for views on mental, physical and financial wellbeing. The change in the way we work and the pandemic shone a spotlight on employee wellbeing and these interventions have made a positive impact on staff wellbeing, especially in our support for mental health. However, the results show that the council, whilst making progress, needs to develop further support in the three categories.

- **Physical wellbeing:** 61% agreed the new ways of working have had a positive impact on their physical wellbeing, 48% were encouraged to take regular breaks from screen work, and 47% agreed the council provides enough support to employees to help maintain a good physical wellbeing.

- **Financial wellbeing:** Staff were given a list of money-saving schemes and benefits regularly promoted to staff, whilst it was positive to see significant awareness, actual usage was disappointingly low.
- **Mental wellbeing:** When asked, 57% of respondents described their current mental health as either good or very good, this means there is potential for the remaining 43% to experience deteriorating mental health or wellbeing. Without the necessary support mechanisms in place for both staff and managers, these figures, coupled with stress from external factors such as the rising cost-of-living could have a considerable negative impact. Not only on the wellbeing of our valued workforce, but also a potential increase in long-term ill-health and sickness absence impacting on performance, productivity and service delivery.

4.48 Responses relating to mental wellbeing when compared to 2019 reveal the council is making some headway with its support for those with mental health issues. For example:

- In 2022 68% of respondents agreed the council encouraged employees to talk openly about mental health, compared to 50% in 2019.
- In 2022, 56% said the council supported employees who experience mental health problems well, compared to 47% in 2019.

4.49 In terms of general wellbeing:

- 87% of staff agreed their manager is considerate of their life outside of work, compared to 82% in 2019
- 72% achieve a good balance between their work life and private life (70% 2019)
- 73% have a comfortable and quiet space to work in
- Worryingly, 48% said that in a typical week they have felt feelings of loneliness and/or social isolation

4.50 Staff were asked to put in their own words how they thought the council can support employee mental wellbeing and what the council do to reduce any stigma around mental health in the workplace. In total there were 755 comments received covering these two questions highlighting this is as a significant point of interest and/or concern for staff.

#### 4.51 **Summary**

4.52 These employee survey results are sending a clear message that whilst employees are satisfied with a number of key work-related areas, pay, career progression and consequently feeling undervalued were the main causes of discontent.

4.53 Staff would like more of a voice within their own directorates and would like to see more from their leadership teams, engage with them and be recognised for a job well done by them.

4.54 The pandemic, and our response to it, has created a significant amount of change for employees in terms of the way they work, but overall, the results are indicating that in some key work areas staff are either feeling the same, or in a better frame-of mind-about working for Medway than before the pandemic.



- 4.55 However, this does not mean that the council can be complacent. When asked how long employees want to carry on working for Medway Council, 58% of staff said they wanted to stay for at least the next three years, whilst 8% want to leave within the next year.
- 4.56 Pay and reward is a key driver of this, but the council can work on developing other ways to seek to retain its valued employees and these will be included as part of an action plan within the Employee Engagement Strategy 2023-25 (re-named Employee Voice Strategy 2023-25).
- 4.57 **Priorities for action going forward**
- 4.58 A draft Employee Voice Strategy 2023-25 has been produced which will be the key driver for action based on CMT's priorities – a preview of the action plan can be found in appendix three and an infographic for staff in appendix four. To summarise, it commits the council to:
- Review the *Our Ways of Working* Policy (OWOW): to resolve ambiguity in the policy; perceived fairness issues in application across the council; and impact on employee wellbeing.
  - Review employee communications processes to increase/improve:
    - Organisational engagement (with a focus on improving retention).
    - The visibility and accessibility of senior leaders.
    - Internal communications, enabling all staff to feel informed.
  - Review reward and recognition processes:
    - By implementing a new pay and career progression scheme.
    - To increase and raise awareness of our employee benefits offer.
    - To review and develop local recognition processes valued by the workforce.
    - To support our managers through the implementation of bespoke management development.
  - Review mental health and wellbeing support provided to the workforce and managers, identify areas of poor mental health and address these locally.
  - Review bullying and harassment processes to ensure all staff know how to report and feel comfortable to do so without fear of reprisals.
  - Develop a communications and stakeholder action plan to refresh the Core Values.
- 4.59 **Action taken and progress so far**
- (i) The new pay and progression scheme is completed a 12% successful pilot and is now entering Phase two inviting services to move over to the new scheme.
  - (ii) A Healthy Mind and Wellbeing Working Group has been set up, with individuals from the Medway Makers, HR and Public Health professionals and other interested parties. Current activities being considered are: the provision for more development for managers, activities to try to combat loneliness, creating new lunchtime activities such as virtual hobby clubs, and looking at the viability of a new Healthy Mind and Wellbeing employee network, and further support for managers when supporting mental health concerns.
  - (iii) Internal communications are revisiting their tools and channels, looking to implement new ways of communicating and engaging with the workforce. This includes an engagement activity with representatives from staff

working in satellite sites to find out their preferences for being kept informed and two-way communication.

- (iv) A salary sacrifice CycletoWork scheme will be implemented in the Autumn, saving money for staff and supporting the council's climate change core value.
- (v) Work is starting on the review of the Core Values.
- (vi) Directorate Management Teams are reviewing their own survey results and engaging with staff, and producing local action plans linking into the overall corporate one.

## 5. Risk management

- 5.1 The main risk of not addressing the priorities identified by CMT are mainly concerned with recruitment and retention issues, and the potential damage to our reputation as an 'employer of choice'.

Risk	Description	Action to avoid or mitigate risk	Risk rating
<p>(i) Pay, career progression, employee benefits, and recognition.</p> <p>(ii) mental ill-health and wellbeing</p> <p>(iii) Bullying and harassment cases not reported or dealt with.</p> <p>(iv) Internal communications and engagement processes</p>	<p>(i) A lack of motivation, and costly high turnover of staff.</p> <p>(ii) A rise in mental-health cases, long-term sickness absence: costs of sick pay, covering absence, disruption to teams; the council's reputation</p> <p>(iii) Increase in grievances, discrimination, possible tribunal costs and unlimited damages, council reputation.</p> <p>(iv) staff who feel they are kept 'in the dark' and do not have a voice may not release their full potential, may block or be resistant to change, may not feel motivated.</p>	<p>The draft action plan attached as appendix 3 seeks to mitigate these risks.</p>	<p>(i)C2 (ii)C3 (iii)D3 (iv) D3</p>

For risk rating, please refer to the following table (please **retain** table in final report):

<b>Likelihood</b>	<b>Impact:</b>
A Very high B High C Significant D Low E Very low F Almost impossible	1 Catastrophic (Showstopper) 2 Critical 3 Marginal 4 Negligible

## 6. Consultation

- 6.1 The employee survey design took place following consultation with the equality networks, HR, Public Health and the Medway Maker engagement champions.
- 6.2 The results have been shared with the workforce via a number of virtual presentations, the Medway Makers, Corporate Management Team and Directorate Management Teams. It is proposed, once the Employee Voice Strategy 2023-2025 is agreed, the commitments for action will be shared with the workforce using the infographic attached as appendix three.

## 7. Climate change implications

- 7.1 The survey, delivered electronically, highlighted two areas that referenced climate change:
- (i) The survey conveyed details of a number of our 'green' employee benefits such as green travel schemes.
  - (ii) The survey had a section on the Core Values, asking respondents to agree to their level of understanding of each core value, and how it applied to their role.

## 8. Financial implications

- 8.1 There are no direct financial implications apart from failing to act on certain areas (as highlighted in the risks section of this report).

## 9. Legal implications

- 9.1 There are no legal implications.

## 10. Recommendations

- 10.1 It is recommended the Business Support Overview and Scrutiny Committee note the contents of this report.

## Lead officer contact

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## Appendices

Appendix 1: Our People Promise.

Appendix 2: Draft Employee Voice Strategy 2023-25 Action Plan.

Appendix 3: Draft Infographic to share with the workforce showing commitments.

## Background papers

None