

Report of Director of Strategy & Resources

Report to Scrutiny Board (Resources and Council Services)

Date: 27 April 2015

Subject: Employee Engagement, Investors in People and Manager Challenge Results for 2014 and culture change priorities for 2015

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The results of the Employee Engagement Survey for 2014 show an overall engagement score of 7.2 out of a possible 10. The survey was completed by 45% of the workforce (7261 employees) which is an increase from 30% in 2013.
2. Leeds City Council achieved re-accreditation as an Investor in People in December 2014. The external assessor noted that, "Despite the continuing organisational uncertainty about job security people remain positively committed to delivering quality services to the population of Leeds".
3. Manager Challenge, the programme to reinforce the 'habits' we wish all managers to adopt, is now in its third stage. This stage has been designed to address issues highlighted by the engagement survey, liP and the feedback from the earlier stages of Manager Challenge. The outline programme is attached at Appendix 1.
4. Some good progress has been made towards our 'Doing Our Best' approach that establishes a positive work culture for staff. However, to be a '10 out of 10' Best Council, we need everyone in the organisation to drive the 2015 culture change priorities of staff voice and involvement, empowering individuals and teams, strong leadership and stronger emphasis on customer and city impact.

Recommendations

It is recommended that Scrutiny note the contents of this report

1. Purpose of this report

- 1.1 The purpose is to report the progress in changing council wide culture as expressed by the results of the 2014 employee engagement survey, feedback from our 2014 Investors in People Survey and the half-way stage of our Manager Challenge Programme
- 1.2 The report also outlines the priorities for council-wide culture change in 2015 that will underpin the next stage of Manager Challenge.

2 Background information

- 2.1 In January 2014, the Council identified the behaviours that it wished managers to adopt as 'manager habits' and the outcomes that staff would expect to experience in the workplace. This was summarised in a one page 'Doing Our Best' document.
- 2.2 In 2014, a new employee engagement survey was designed with links to the council values, the council's aim to be the 'Best Council' in the 'Best City' and the manager habits.

3 Main issues

3.1 Employee Engagement.

- 3.1.1 The overall results from the council's employee engagement survey were available in January 2015. The response rate for the survey was 45% of all employees (7261 employees). This is a big increase in the overall response rate from 30% in 2013.
- 3.1.2 The engagement score is new and based on Qu 24 'If a friend asked you to give a score working for Leeds City Council from 1-10 (with 10 being the best, what would it be?' The average council score was 7.2 out of 10 overall (7.11 online surveys and 7.43 paper survey).
- 3.1.3 Four areas emerged as the highest performing areas overall across all directorates:
 - I know what is expected of me at work (92% agree)
 - I'm trusted to do my job (92% agree)
 - The job I do makes a difference for the people in the city (86% agree)
 - I get help and support from colleagues when I need it (85% agree)
- 3.1.4 Two areas emerged as the lowest scoring areas overall across all directorates:
 - My ideas and suggestions for saving and spending money are heard (51% agree)
 - What I say counts and makes a difference to the way things are (51% agree)

3.2 Investors in People (IiP)

- 3.2.1 Leeds City Council was re-accredited as an Investors in People (IiP)

Employer in December 2014. We have held the award continuously since 2001. Some of the key findings by the external assessor was that the majority of employees understood the key headline priorities for LCC, they have clarity around the values of the organisation and are clear about their directorate, team and individual responsibilities. She summed up the value of our improved approach to employee engagement by saying “Despite the continuing organisational uncertainty about job security people remain positively committed to delivering quality services to the population of Leeds”.

3.3 Manager Challenge

- 3.3.1. Manager Challenge is focused on ensuring all appraising managers (2,500 managers) all consistently practice manager habits across the council. The programme of activities commenced in June 2014 and at this stage 98% of appraising managers had identified and were clear about the areas they needed to improve.
- 3.3.2. The employee engagement survey and investors in people provided some useful feedback to inform progress about changes in management behaviour and staff experience within the council. This was further augmented by further discussions between January and March 2015 with a sample of staff and managers, senior managers and elected Members. Together, this review identified that there were four key areas for further work to enable and drive cultural change more successfully in the organisation. These were: a need for greater focus in our approach on staff voice and involvement, empowering individuals and teams, strong leadership and stronger emphasis on customer and city impact.
- 3.3.2. The design of the next stage of Manager Challenge has been based on these findings and is outlined in Appendix 1.

4 Corporate Considerations

4.1 Consultation and Engagement

The employee engagement survey was made available to all employees to complete. The returns on the paper forms moved from 13% in 2013 to 36% in 2014. Investors in People sampled 2.5% of employees over 2013 and 2014. Manager Challenge has engaged all 2500 appraising managers in the Council.

4.2 Equality and Diversity / Cohesion and Integration

The results of the employee engagement survey indicated that men, disabled and staff from some ethnic minority groups scored question 24, used to assess overall engagement, as lower than the overall average. This is being addressed in the targeting of work in areas of greatest need as part of the next stage of Manager Challenge as well as being referred to cross council disability group for consideration.

4.3 Council policies and City Priorities

All aspects of the cultural change work are linked to the council's values and to the council's aim to be the 'Best Council' in the 'Best City'. The next stage of Manager Challenge will be highlighting the city priorities as outlined in the revised

Best Council Plan 2015 - 20 and the 'breakthrough projects' in the monthly events for all appraising managers commencing September 2015.

4.4 Resources and value for money

The development, co-ordination and evaluation of the employment engagement survey has been brought 'in-house' saving the Council £30,000 per year. A three year investment commitment has been made to finance Manager Challenge that is equivalent to investing £120 per appraising manager over this three year period. The value and impact of the programme is subject to evaluation.

4.5 Legal Implications, Access to Information and Call In

There are no implications with regard to the above.

4.6 Risk Management

There is a risk that the opportunity to reinforce good manager practice that impacts on all aspects of service delivery will not be realised if Manager Challenge is not fully supported in all areas and at all levels of the organisation.

5 Conclusions

5.1 Our Engagement and liP results and Manager Challenge work show that we have made some good progress in our 'Doing Our Best' approach and establishing a positive work culture for staff.

5.2 There is still a way to go to be the 'Best Council'. This would be evidenced by a '10 out of 10' result in our engagement survey. In order to achieve this we need to ensure that the priorities of staff voice and involvement, empowering individuals and teams, strong leadership and stronger emphasis on customer and city impact inform our culture change work for 2015.

6 Recommendations

6.1 It is recommended that Scrutiny note the contents of this report

7 Background documents¹

7.1 Appendix 1 Manager Challenge – Round 3

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.