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| Subject: | Engagement Strategy & Employment Value Proposition |
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| То: | Personnel Committee |
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SUMMARY: Provide information on the draft Employee Engagement Strategy and present a summary of the findings of the Employment Value Proposition survey.

INTRODUCTION

This paper provides the Committee with a copy of the revised draft of the Employee Engagement Strategy that was presented to Corporate Board on 26 March 2012. A key element of the strategy requires an understanding of how the Employment Value Proposition (EVP) informs levels of employee engagement within the Authority. A survey of a sample of the Council's staff was conducted in order to obtain a better understanding, within the context of the EVP, of the levels of engagement of the Authority's employees. This paper presents a summary of the survey's findings.

1. <u>EMPLOYEE ENGAGEMENT STRATEGY</u>

BACKGROUND

- 1.1 There are a range of definitions of employee engagement but the one that increasingly resonates is that engagement is about the trust that exists between managers and staff. 'High trust' organisations find it significantly easier to embrace change. Also, trust in an organisation has been shown to influence the level of innovation and performance shown by employees.
- 1.2 Governmental commissioned and academic studies have shown that effective employee engagement results in improvements in performance and as a consequence customer service. Employee engagement is about effective performance management. The strategy (appendix 1) outlines Kent County Council's approach to achieving levels of engagement and staff motivation that make a significant difference to the performance of the Council. The final document will consist of the strategy, a checklist to help managers identify ways of engaging their staff and an organisational action plan that will show how the Council is delivering the strategy.

- 1.3 The Engagement Strategy can not be delivered in isolation of other initiatives and strategies within the Authority. The strategy very clearly corresponds to elements of the Organisation Development & People Plan and also links to Kent County Council's Customer Services Strategy, Internal Communication's Strategy, Equality and Diversity and the Kent Values, Competencies and Behaviours.
- 1.4 Corporate Board endorsed the strategy's approach whilst recognising and setting out senior management's leadership role in building trust in the organisation and their responsibility for the delivery of the strategy.

2. EMPLOYMENT VALUE PROPOSITION

BACKGROUND

- 2.1 The concept of the Employment Value Proposition underpins the way the Council's Engagement Strategy is framed. EVP introduces a means of presenting and understanding how the 'deal' offered by an employer is set against what is expected from employees in return. This deal should be viewed in the context of the overall employee relations climate in the authority as it is about how the organisation and managers engage with the employees as much as it is about terms and conditions of service. The value and perception the employees place on that employment experience, and the contributions expected by the employees, inform how staff engage and perform.
- 2.2 Kent County Council is participating in a LGA sponsored national pilot and research programme run by Professor Helen Francis and Dr Martin Reddington of the Edinburgh Institute. This programme uses a survey to measure the EVP in an organisation looking at how engaged the surveyed staff are and how the employer is perceived.
- 2.3 The survey was sent out to approximately 2000 staff in Kent County Council. Each of the Directorates had groups of staff surveyed from specific targeted services or divisions, rather than the sample being spread across the whole directorate. The response rate to the survey was over 50% (which is significantly higher than the norm for similar types of surveys). The management teams received service and directorate specific feedback on their results in April.
- 2.4 The executive summary of the report presents the following overall findings:

a) Kent County Council has a committed workforce who invest time, energies and concentration to get a job well done and feel a sense of pride in doing it.
b) Results for organisational level engagement are not so encouraging with weaker levels of loyalty, affinity and advocacy toward the Council.
c) Employees perceive their contribution to the 'deal' as outweighing that provided by KCC (ideally this should be a balance between the employee and employer).

d) The imbalance in (c) above manifests itself in a low trust environment where employees see the 'value of the deal' being eroded whilst being asked to do more with less. e) It was noted by the analysts that this identified low level of trust does not necessarily have a significant impact on employee engagement currently but will do if not addressed over time.

- 2.5 The real positive to come from the survey is that staff feel an affinity with the service they work for and are engaged enough to deliver services they feel responsible for and proud of. The relationship with the direct line manager is the critical in terms of determining trust relationships and it would seem that this is working effectively at service and team level.
- 2.6 The disconnect in levels of engagements seems to be more with the Council as a whole. The reasons for this will be multi-factorial and one can hypothesise as to what is causing it. However, the Authority should not lose sight of the significant change programme it is going through and the impact this has on employee relations and ultimately the levels of engagement.
- 2.7 The Council has introduced some interesting and successful initiatives at organisational level (Talk to the Top, KMail, KMag, Director and Challenger Groups etc.) to work with employees in their understanding of the One Council approach and what it is trying to achieve. Some of these interventions have also been aimed at providing more opportunities for employees to be heard and have their opinions listened to and acted upon, where appropriate.
- 2.8 At service and team level the organisation has a robust performance management process which engages staff in setting their objectives and rewarding them accordingly for achieving or surpassing them. The Council is also looking to support managers, through Kent Manager and other initiatives, to develop and reinforce key skills, behaviour and values so they are equipped to work with and engage their staff accordingly.
- 2.9 It is important that the Council continues to develop and build on the initiatives it has introduced but also to explore how levels of engagement can be improved. Managers play a significant role in building trust relationships with the rest of the organisation and it is critical that they are supported to ensure that employees are engaged at all levels of the organisation. Sections of the Engagement Strategy action plan will be developed to address the issues raised by the survey. The action plan will be brought back to Personnel Committee.

3. <u>RECOMMENDATIONS</u>

- a) Personnel Committee is invited to note and endorse the draft Engagement Strategy.
- b) Personnel Committee is invited to note the EVP survey results.

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