

DRAFT

Our KCC - Working Together, Shaping Our Future

'Engagement matters because people matter – they are your only competitive edge. It is people that will make the difference and drive the business' (*Engaging for Success review*, David MacLeod and Nita Clarke).

1. Introduction

Effective employee engagement ultimately results in improved services to our customers. This strategy outlines KCC's commitment to promoting employee engagement through the identification of clearly defined aims and objectives, a planned approach, an action plan and robust evaluation mechanisms. The intention is that the strategy will inform our approach to engaging staff and result in clear actions for managers across the organisation, with senior managers taking responsibility to ensure engagement takes place at a service and team level.

The strategy encompasses all KCC non-schools staff and it is being delivered through an extended approach to employee relations. The strategy sits alongside the Organisational Development People Plan, with Communication & Engagement being one of the elements of the Performance Management strategic objective. There are also clear links to KCC's Internal Communications Strategy, Customer Service Strategy, Equality and Diversity Strategy and the Kent Values, Competencies and Behaviours.

Aim: The purpose of this strategy is to show how to motivate staff to perform at their best. This will be achieved by improving and maintaining employee engagement across Kent County Council, ensuring we are an employer of choice, where our staff feel positive about working for us.

Objectives: The objectives of this strategy are to:

- Optimise employee engagement levels across the Council;
- Equip line managers and senior managers with the skills to successfully engage their workforce, particularly during times of change, via an employee engagement checklist;
- Set out a consistent framework for delivering employee engagement across the Council
- Propose high level actions at an organisation level
- Identify clear, measurable outcomes.

This document is composed of:

- Strategy
- Manager's Checklist (draft - appendix 1)
- Organisation Action Plan (draft - appendix 2)

The strategy document sets out:

- The theory of engagement and the evidence for where and how it makes a difference to organisations (pages 2 – 5)
- Identifying the fundamentals for KCC and how as an organisation we are going to approach this (pages 6 – 10)
- How we will monitor and evaluate engagement levels (p 11).

What is engagement and why is it important?

There are many definitions of employee engagement, but fundamentally it describes the commitment of employees to the organisation they work for. It is about 'creating an environment that supports high performance'¹ by harnessing the discretionary efforts of employees. Engagement is about more than basic job satisfaction, it's about whether employees feel committed to the organisation, are motivated to go the extra mile and are prepared to be advocates for their employer and the services it provides. 'Engagement is essential if companies are to be able to rely more on their employees to adapt to volatility and handle complexity'.²

Engagement can be seen as ultimately about performance because if employees feel committed to the organisation and to their manager they want to perform at their best. If individuals are performing to the best of their potential the result is that teams, services, directorates and the organisation as a whole will work more effectively. Customer service and efficiency will improve, employees will be advocates for the organisation and, overall, performance will be enhanced.

Extensive research, both in the academic and business communities, over a number of years has shown clear links between highly engaged employees and:

- Front line performance
- Customer satisfaction and loyalty
- Attendance
- Employee retention
- Organisational citizenship
- Creativity and innovation
- Organisational agility.

The Evidence

¹ Blessing White, Employee Engagement Report 2011

² BCG Organisational Capabilities Matter, Jan 2012

The Government-commissioned MacLeod review between 2008 and 2009 into employee engagement found numerous examples of organisations where performance and profitability had been transformed by effective engagement.

- 78% of highly engaged public sector staff believe they can have an impact on public services delivery or customer service – against only 29% of the disengaged.¹
- 70% of engaged employees indicate they have a good understanding of how to meet customer needs; only 17% of non-engaged employees say the same.²
- Engaged employees in the UK take, on average, 3.5 fewer sick days per year than the disengaged.³
- Engaged employees are 87% less likely to leave the organisation than the disengaged.⁴
- 78% of engaged employees would recommend their company's products or services, against 13% of the disengaged and 67% of engaged employees advocate their company or organization against only 3% of the disengaged.⁵
- Higher levels of engagement are strongly related to higher levels of innovation. 59% of engaged employees say that their job brings out their most creative ideas against only 3% of disengaged employees.⁶
- Engagement and involvement are critical to managing change and if employees are given sufficient information and involvement to help them understand and commit to an idea they will then be willing to engage with it. 'Once they see and experience the benefits of the change it quickly becomes standard practice and just the way we do things'.⁷
- Staff in councils rated as 'excellent' had much better results than those in weak or poor councils when asked about factors such as being informed and consulted, having confidence in senior managers and understanding the overall objectives of their organisation; they were

¹ Towers Perrin 2007

² Right Management (2006), *Measuring True Employee Engagement*, A CIPD Report

³ Gallup, 2003

⁴ Corporate Leadership Council, Corporate Executive Board (2004) *Driving Performance and Retention through Employee Engagement: a quantitative analysis of effective engagement strategies*.

⁵ Gallup

⁶ Gallup Management Journal – *The Innovation Equation*, 2007

⁷ David MacLeod & Nita Clarke, *Engaging for Success – Enhanced Performance Through Employee Engagement*, 2009

also twice as likely to be advocates for their organisation than staff in weak or poor councils.¹

- ‘High performing companies have more effective line managers – who are key to driving higher levels of employee engagement’.²

Engagement is about providing conditions under which employees will work more effectively – which include autonomy, support and coaching, feedback, learning and development opportunities, variety and responsibility. The benefits for employees include more varied jobs, increased ownership, feeling trusted, understanding how individual targets link to the organisation’s, knowing individual contribution is being recognised, the ability to contribute to decision making and opportunities for development.

There are clear links between the way people are managed, employee attitudes and organisation performance. Engaged employees are more likely to enjoy their work and make a difference to the services they provide. So ultimately this is about creating the best performance environment possible for our employees. Effective engagement encompasses the whole employment community and recognises everyone’s contribution, valuing people for who they are, recognising difference, diversity and the range of skills that each employee brings to the organisation.

Employment Value Proposition (EVP)

In response to the changing employment climate, recent research in the public sector has introduced the concept of the ‘**employment value proposition**’ which describes the deal offered by the employer and what is expected from employees in return.

Engagement is not a new concept, but it has become a higher priority in recent years, due to the challenging economic climate and the increasing use of social technology, which brings a clearer correlation between employee engagement and organisation performance. The changing face of the employment relationship in the public sector means that we have to consider how we support our staff to be more flexible, business focused, resilient and able to cope with uncertainty, whilst continuing to deliver the highest quality public services possible to our customers in an ever more demanding economic climate.

Engagement is an intrinsic part of our overall employee relations climate, as it is about frontline engagement between managers and their teams, as well as the terms & conditions, rewards and benefits we offer as an employer which will have an impact on how our employees feel about working for KCC. The value that individuals place on their employment experience is a dynamic mix between economic and social obligations and promises, which create mutual

¹ Ipsos MORI/Improvement and Development Agency (2006)

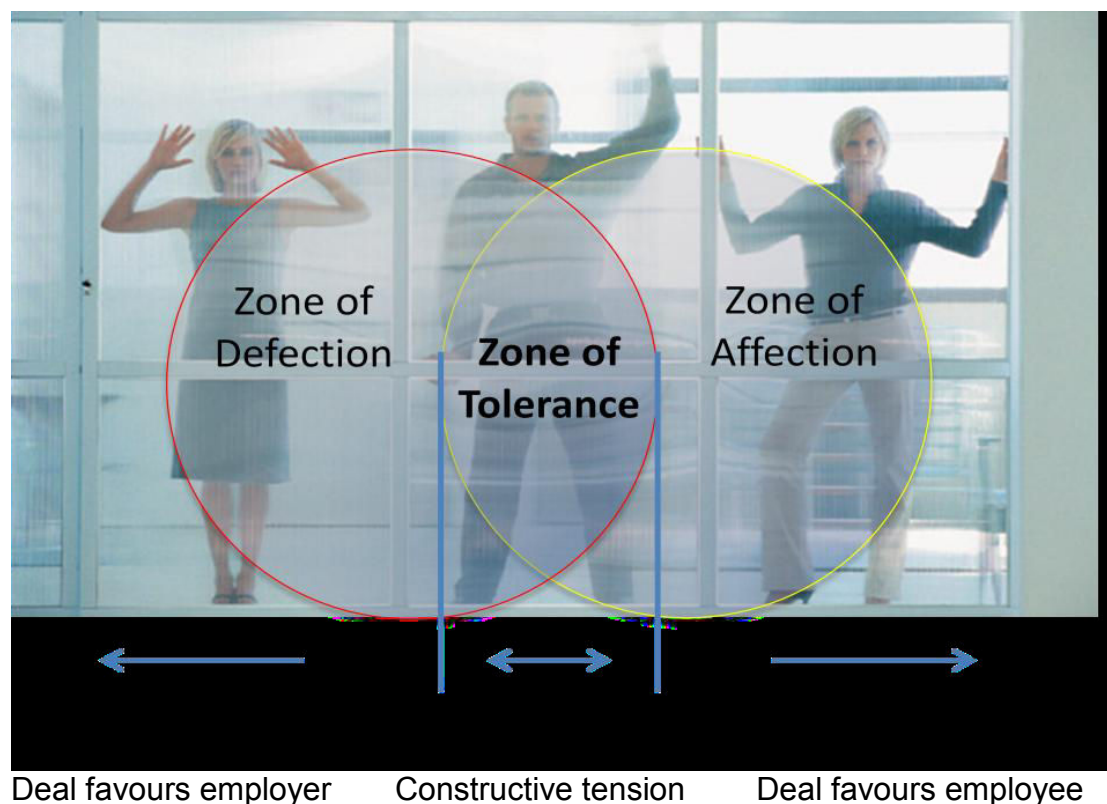
² Chartered Management Institute, *The Business Benefits of Management and Leadership Development*, Feb 2012

benefits for the employer and the employee. This perception is shaped by individual, job and organisational characteristics. These include tangible factors, such as holiday entitlement, as well as intangible factors, such as perceived organisational support.

Ideally there should be constructive tension between the inducements offered by the employer (such as stimulating work, career development, support and pay) and the contributions expected from the employee in return (such as skills, capabilities and commitment) to support sustainable mutual benefits for both parties. The aim is to create a balance between these, so that the employment package neither favours the employer nor employee.

Imbalanced employment value propositions can lead to 'destructive tension'. The imbalance can be perceived to be skewed towards the employer: a 'zone of defection', where the 'deal' has become less fair, or unfulfilled in the eyes of the employee, which can result in a reduction in employee performance and a determination to leave the organisation. If the imbalance is in favour of the employee where the employer is not expected much or anything in return for what it offers to staff, then it moves the 'deal' into a 'zone of affection', where poor performers are over-compensated which can result in unresponsive, mediocre organisations.¹

Figure 1: Zone of tolerance



¹ Employment Value Proposition Methodology, Martin Reddington & Helen Francis, 2011

There are a variety of elements which affect engagement, some of which are within a manager's control and some of which are not. As an organisation we need to know how these factors interrelate and where any tensions exist between them, so that we can identify where and how we can improve the employment experience for our employees in KCC, as well as where our strengths lie as an organisation. People come to work for different reasons and are motivated by different things at different times during their working life, so we need to offer our staff the opportunity to engage with a variety of different elements over the course of their employment with us.

Our EVP needs to articulate what value employees will get from working for us and how KCC is different from other organisations. It should encapsulate what current and potential employees perceive as the value of being part of, and contributing to the success of, the organisation.

2. What this means in practice for KCC:

Management, Employee & Organisational Responsibilities

'Leadership is to inspire people to exercise their best qualities.'¹

Improving engagement is not necessarily about doing something new and innovative, although it could be about doing things differently. It is about getting the basics right and recognising that it is the little things that make a difference, like listening to staff, saying thank you for a job well done, treating people fairly, keeping teams informed and up to date with the Council's agenda and initiatives. In other words, it is about good people management.

The most influential people in this dynamic are therefore line managers, as it is the relationship between line managers and their team members that really makes a difference. If individuals do not feel particularly committed to the organisation, but are committed to their line manager they will inevitably be engaged, productive and high performing employees. If a line manager feels demotivated and disengaged themselves, there is little chance that they will be able to motivate and inspire their teams. So it is this line management relationship at all levels throughout the management chain that is critical in achieving and maintaining high levels of engagement across any organisation.

We need a consistent framework that allows us to benchmark the organisation's expectations. The following sections set out the key elements of effective engagement for line managers, what is expected from employees in return and how KCC will create and maintain an environment that supports engagement at an organisational level. The next two sections are therefore structured in a way that enables managers and employees to understand how this can be achieved.

¹ Robert Kennedy

What does it mean for me as a manager?

Your employees' commitment to you as their manager is at the core of engagement, as your role is vital in sustaining your team members' commitment to their jobs, their team and the organisation as a whole.

Your ability to manage employment relations on a day-to-day basis and to get the best from your staff has implications for innovation, productivity, quality and reliability.

We want you to feel supported to take responsibility for your team's performance through proactive communication and engagement. The aim is to engage each member of your team, both about the task in hand and for the future.

We appreciate that many of you are engaging with your staff regularly and recognise that this comes naturally to many managers at KCC, as good people management and engagement go hand in hand. Whilst for many of you this will be a reiteration of your current practice, we must not lose sight of the fundamentals.

How?

- Building a climate of trust, by consulting your team on the way things are done and empowering them to make changes in how and where services are delivered.
- Communicating openly and regularly with your team members and disseminating information effectively.
- Giving your staff a voice, by listening to ideas, feedback and concerns from individuals and acting on these to resolve issues as soon as possible.
- Managing performance and attendance levels effectively and fairly across your team, addressing issues in a timely and consistent manner, with support from HR where required.
- Designing challenging jobs, which incorporate variety, responsibility and autonomy.
- Ensuring team and individual targets reflect KCC's values, competencies and behaviours and are clearly linked to KCC's Bold Steps so that individuals understand how their contribution fits into the bigger picture and how they make a difference.
- Developing your team members, through tailored personal development plans which are discussed and reviewed via regular supervision and appraisals.

- Embracing new ways of working and ensuring you and your team are well informed about what KCC is doing and when.
- Fully inducting new employees, or those who are new to your team.
- Building and maintaining a supportive and effective team, ensuring knowledge and good practice is shared across the team.
- Working with employee representatives.
- Ensuring work accommodation is fit for purpose for all members of your team.
- Promoting a healthy work-life balance and ensuring the health and wellbeing of your staff.
- Using the Employee Recognition Checklist and Kent Rewards to help ensure your team members feel valued and appreciated, by recognising their contribution in a variety of ways.

What does it mean for me as an employee?

As an employee each of us wants to be treated as an individual, for our views to be listened to and acted upon and to know that what we do at work makes a difference. We also need to know what to expect from KCC as our employer and what is expected in return.

We want you to feel valued and supported by your manager and KCC as an organisation and to feel committed to KCC, its strategy and values. We want you to take pride in your work, to feel accountable for the role you perform and to understand how you contribute to KCC's priorities, so that you want to perform at your best.

Ultimately, our aim is for you to want to be part of KCC and to enjoy working here, to say positive things about KCC and its services to others and to feel motivated to go the extra mile to achieve your targets in order to provide the best service you can for the people of Kent.

How?

- To understand the organisation's strategy and vision (such as Bold Steps) and how your personal – and team's - performance contributes to these.
- To understand and embed KCC's values, competencies and behaviours in your day to day work.

- To put the customer at the heart of everything you do.
- To communicate openly with your colleagues and manager to develop positive working relationships within your team.
- To give us feedback and your opinions in consultation exercises and to participate in staff surveys.
- To take responsibility for the accountabilities in your job description and the tasks you are given to deliver.
- To take personal responsibility for your performance and development.
- To develop effective working relationships with colleagues from other parts of KCC.
- To develop relationships with partners based on trust and transparency.
- To feel empowered to be creative and innovative.

What does it mean for KCC as an organisation?

We recognise the significance of employee engagement to the ongoing performance of the organisation and to the service we provide to our customers. This is a way of challenging hierarchical thinking and ensuring we harness frontline input from staff. Therefore we want to ensure our values – of being open, accountable and inviting contribution and challenge – are central to the way we engage with our staff.

We have created a more unified organisational identity, in the form of One KCC, but we do not want to stifle personal accountability. We recognise that employees identify with their team and the profession or service they work within, as well as with the organisation as a whole. We know that employees can be engaged with different aspects of their working life at different times, or with combinations of these. So some individuals will be primarily engaged with the job they do, or tasks within it; others will be committed, or relate, to their line manager and colleagues; others to the organisation, customers, partners or their profession. So what we offer to our employees needs to encompass all these elements.

We want to build a culture that promotes and reinforces engagement, through adaptable and effective manager behaviours, personal resilience and an environment that supports our staff and helps to maintain their health and wellbeing. As part of this, we intend to ensure our organisational structures are designed to improve employees' access to decision making and ability to inform it.

Therefore we have developed a checklist for managers to use to engage with their staff more effectively and an action plan to set out how we will achieve this across the organisation. Senior managers will ensure that these activities are taking place at a service and team level across their directorates.

What sort of organisation do we want to be? How do we want employees to talk about KCC as a place to work?

- To be a high performing 'employer of choice' where staff feel valued.
- To seek and listen to our employees' views and respond by taking action to make changes where possible or to explain why, where such changes are not feasible.
- To build an organisation that is flexible and agile, where change is embraced.
- To create an environment in which every employee contributes their talents and skills to the success of the organisation's goals.
- For our staff to be advocates for the organisation.

How?

- By setting out a clear purpose and vision for the organisation (KCC's brand) – via Kent Values/Bold Steps
- By ensuring our senior management team are visible and effectively communicate a clear, consistent and compelling case for change
- By encouraging feedback from staff to ensure that they understand and take on board organisation-wide messages and that their opinions matter, are listened to and make a difference
- By designing an effective organisation structure, where there are fewer layers of management, in order to speed up decision-making and ensure that staff in frontline roles receive the answers they need quickly from a responsive management structure.
- By providing opportunities for career development
- By providing a comprehensive package of training & development options
- By providing a flexible total reward and benefits package for all staff to access and a set of terms and conditions that are modern and fit for purpose.

3. Evaluation

We need to measure engagement, diagnose the cause of low levels of engagement and act to improve these areas – as well as maintaining what we do well.

How do we measure the success of what we're doing?

We need to identify the key strength areas within the organisation and the critical improvement areas in relation to employee engagement.

We also need to identify, through staff surveys, which issues we need to address that will improve engagement levels to focus action planning at directorate and service level – balancing the impact that an improvement can create against the cost/time/effort it would take to achieve (cost-benefit analysis).

The areas we choose to focus on will depend on our employee value proposition - aligning our organisational objectives with what we need from our employees to deliver these - and with what we offer employees to make them feel engaged.

Measurable outcomes:

- Staff turnover rates (attraction & retention of employees and 'top talent')
- Sickness absence figures
- Feedback from spot surveys
- Feedback from exit interviews
- 360° feedback
- Customer satisfaction levels (internal and external)

- The evaluation of the effectiveness of this strategy within KCC will take place at regular intervals through feedback from KCC employees, via the use of staff surveys and pulse checks to gauge its effectiveness and to seek to improve the delivery of the elements within the strategy.

- Customer satisfaction levels measured as part of the Customer Service Strategy should correlate with engagement levels, because if our employees feel more engaged our customers will receive a better service.

- Feedback and evaluation will be used to shape future activities in relation to engagement, to embrace/share good practice and feed into management training and development, as part of Kent Manager.

4. Summary

Effective employee engagement is fundamental to the performance of all organisations. It is therefore crucial to have a holistic approach to good people management which values individual contribution and ensures effective communication to give employees a voice. Line managers are critical in making this a reality and as an organisation we need to ensure there is a balance between the inducements we offer as the employer and what we expect our employees to contribute in return.

We have therefore set out a checklist for managers to refer to as well as an organisation action plan, consisting of 6 key areas within which to focus our activities.