

## NOTTINGHAM CITY HOMES

HUMAN RESOURCES &  
REMUNERATION COMMITTEE  
11 JANUARY 2010

### REPORT OF DIRECTOR OF ORGANISATIONAL DEVELOPMENT

#### EMPLOYEE SURVEY

#### 1 SUMMARY

- 1.1 This report considers the findings of and responses to the Company's Employee Survey published in October 2009. A full copy of the Survey is attached at Appendix A. Where appropriate, the relevant Survey report page numbers are included in brackets.

#### 2 RECOMMENDATIONS

- 2.1 The Committee is invited to comment on the report's outcomes.

#### 3 INTRODUCTION

- 3.1 Each year the Company commissions a survey on employee morale. This year's survey evaluated improvements made as a result of last year's, the impact of strategic messages on employees and key strengths and weaknesses. It highlights issues for the company to address and benchmarks NCH with other two and three star ALMOs.

#### 4 METHODOLOGY AND RETURNS

- 4.1 The information contained in the survey was obtained via
- Electronic emails to all employees with PC access and email address;
  - Paper questionnaires to home addresses of those without PC and Internet access;
  - Several follow up e-mails and letters.
- 4.2 352 surveys were returned, equating to a response rate of 33% (32% in 2008), and a confidence level of +/-5.2%. The greatest level of returns was received from the support service functions; the least from Property Services.
- 4.3 The following were used to help increase response levels
- Poster campaign
  - Text reminders
  - Advertising in team briefs
  - Reminders at team meetings.

## **5 SURVEY FINDINGS**

### **5.1 VISION AND PURPOSE**

- 5.1.1 This section explored the views and attitudes of employees towards management. Overall the responses were found to be positive (page 9). There were high levels of understanding of how the organisation works and people were able to identify how their work contributed to the vision and purpose of the company.
- 5.1.2 Communication and morale within teams is good but not so good across teams. Issues around communication, the effective management of performance and management visibility are getting better but also need improving (page 22). Perception of leadership has improved significantly over the past twelve months, employees feel better informed and line managers are becoming more approachable.

### **5.2 CUSTOMERS AND STAKEHOLDERS**

- 5.2.1 Findings support those detailed in Section 5 in that people have positive opinions about what is going on within their own team, but not about NCH as a whole (pages 10 and 11). There is a strong perception that NCH is committed to providing a high quality service to its customers. The recent customer satisfaction survey, showing a satisfaction rate of 80%, confirms this.
- 5.2.2 Significantly, people working out of the area offices are notably less likely to agree that their teams have effective working relationships with other departments or service areas (p39). This suggests there are pockets of dissatisfaction in local areas (including those affected by the District Auditor's report).

### **5.3. OUR VALUES AND WAYS OF WORKING TOGETHER**

- 5.3.1 Again people appear comfortable with company values and about being valued and about being respected in their team but less so that the company as a whole works as one team (page 11). However, there is still a significant improvement on this category from last year.
- 5.3.2 There has also been a significant improvement in the number of employees who feel valued by their managers (page 45) and by their colleagues (page 46) although there is still lower satisfaction in this category among "manual" employees.

### **5.4. LEARNING AND DEVELOPMENT**

- 5.4.1 There has been a significant improvement in the proportion of respondents happier with the Company's commitment to learning and development when compared to the previous year (page 11). However, work still needs to be done around management development, access to training, performance management and induction (specifically to assist with promotions – page 55).
- 5.4.2 Specific groups still feel excluded from learning and development opportunities

(p48-50, 57). Three in ten employees also disagree that their manager discusses their learning and development objectives with them (p54).

## 5.5 PERFORMANCE AND RECOGNITION

5.5.1 There has been improvement in this area in that clearer objectives are now being set, and in the carrying out of appraisals (pages 12, 59). However, a significant number of employees still do not believe morale is good across NCH and some groups of employees, specifically Operatives and Caretakers, are either unhappy with or unaware of existing processes (pages 12, 59, 60).

5.5.2 While there has been a significant increase in satisfaction around the pay and benefits packages on offer dissatisfaction still exists, especially among those on lower grades (page 62).

## 5.6. POLICIES AND PROCEDURES

5.6.1 Respondents felt supported most effectively for health and safety and work-life balance but concerns remain around the company's disciplinary processes (page 13).

## 5.7 EMPLOYEE SUBGROUPS

5.7.1 There are still distinct pockets of employees who are less aware of what's going on in NCH, and who feel excluded from training and development opportunities. The response from BME employees compared to non BME employees also suggests that more work needs to be done to with this staff group (page 13).

## 5.8 SUMMARY

5.8.1 There is a wide variation in the percentage of employees who believe that morale is high in their team (63%), and in NCH as a whole (39%). Morale appears to be significantly lower in Harvey Road and in Area Housing Offices (page 67). However, morale across teams and the company has improved over the last year (page 68). Those on grades Scale 1-4 are most likely to feel that morale is not so good. This is confirmed by comments made elsewhere in the survey.

5.8.2 54% of employees feel that NCH is a better place to work in than last year although 14% feel that it has got worse (especially among those in the area housing offices and those on grades Scale 1-4).

5.8.3 The survey results are considerably better than last year's although a number of underlying issues remain. These may prove difficult to remedy in the short term as the company prepares to re-organise all employment areas in the next twelve months to cope with expected cuts in public expenditure.

## 6 REMEDIES

6.1 Initiatives are already underway to address the outcomes of both the Employee Survey and the liP assessment carried out earlier in the year. These are set

out below.

(i) **Executive Management Team**

Work has started on team and individual development. EMT has had two away days aimed at developing morale and leadership in the last six months. EMT members have participated in several back to the floor initiatives and worked at establishing clear lines of communication with senior managers. Performance Management and Senior Management Groups have recently been established to improve communication and morale at the top of the company.

Individual development plans are currently being designed for EMT members.

(ii) **Performance Management**

The company is currently revamping its Performance Management processes. These will be ready for use early in the New Year. They will provide clear guidance on how to develop staff and deal with any related capability issues including how to handle non-performing employees. Training and support will be provided to the line managers who need to deal with these issues.

(iii) **BME employees**

The publication of the District Auditor's report in January 2009 brought to ahead a number of issues concerning NCH's management of BME employees. The survey results bear out concerns in this area. Some BME employees feel undervalued by the company. We have started to address these issues through the following initiatives

- *BME mentoring scheme* – senior managers are currently mentoring BME employees to assist them in taking on more senior roles;
- *Positive action* – is being taken to advertise more senior positions in media more likely to attract BME professionals to the company;
- *District Auditor's report* – consultation with BME employees has been ongoing since the publication of the report. An Equality Impact Assessment has been carried out on the report. Its recommendations include setting up a BME/ management group to discuss concerns and giving consideration to improving communication;
- *Disciplinary code* – a review of the code will shortly be undertaken. Measures will be included to ensure a fairer use of the policy including the introduction of balanced panels to consider cases, and full training for investigators. Appropriate training and development will also be provided to line managers;
- *Recruitment Practice* – There are concerns about the transparency of the company's recruitment processes. The existing "On Merit" recruitment procedure is currently under review. This has already highlighted the need to set out clear procedures for internal and external appointments; improve training and the introduction of balanced

interview panels and recruitment processes.

- *Target setting* – the HR Team will shortly be setting equalities targets in recruitment, employee relations, pay, grade etc with the aim of developing action plans to improve diversity in the company;
- *Employee development* – the majority of our BME employees are paid at the lower end of the salary ranges. Introducing an Employee Development scheme for employees on these grades should better equip them to apply for more senior positions in the company. NCH is aiming to introduce such a scheme in 2010/11;
- *EME Forum Survey* – NCH's EME Forum intending conducting their own employee survey in the New Year. This will provide further information staff concerns for the company to consider;
- *Introduction of a programme of Equality Impact Assessments* – of HR policies and initiatives.

(iv) **Company Cohesion**

It is evident from the survey that certain employee groups feel excluded from day to day company business and that there is a need to improve engagement with the likes of Caretakers, Operatives and in area offices. Some work is already under way to address these concerns and to gain a better understanding of what lies behind them. Some of these are identified above. Others include

- Development of an Internal Communication Strategy;
- A programme of meetings to be held with all employees to gain a better understanding of what the company needs to do to become more inclusive.

(v) **Management Development**

There are clear signals in the Survey that this area requires a significant amount of work. For example, page 54 states that around 30% of employees disagree with the statement that their manager discusses their objectives with them beforehand, discusses follow up actions afterwards and reviews the effectiveness of their performance. Feedback on management support and encouragement (page 50) and the management of performance (above) backs this up.

As well as the initiatives outlined above, NCH will be looking at the following to address management ability

- Re-development of management competencies;
- Leadership development programme to be developed for company managers;

- Review of HR policies and processes and related management training.

## **7 CONCLUSION**

- 7.1 NCH has taken considerable steps to improve employee morale over the last two years. This has been recognised by the Audit Commission, Investors in People and the award received for last year's CRAGRATs programme. The Company is also recognised nationally for its work on apprenticeships. The challenge is to spread this success throughout the organisation – specifically in developing leaders, engaging employees and managing performance.
- 7.2 The company will need to be wary of introducing too much change at once, especially with several departmental re-organisations taking place at the same time.
- 7.3 Progress will be reported back to the Committee at future meetings.

## **8 IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES**

- 8.1 The implications for NCH have been included in the report.

## **9 VALUE FOR MONEY AND EFFICIENCY ISSUES**

- 9.1 The value for money and efficiency issues have been included in the report.

## **10 EQUALITY AND DIVERSITY IMPLICATIONS**

- 10.1 NCH aims to apply its policies and procedures equally to all employees.

## **11 BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

- Employee Surveys 2008 and 2009
- liP Assessment 2009

**Contact officers:** George Pashley  
Director of Organisational Development  
14 Hounds Gate  
Nottingham  
NG1 7BA  
Tel: 0115 91 57354  
George.pashley@nottinghamcityhomes.org.uk

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