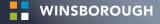
Department of the Prime Minister and Cabinet

# Engagement & Climate Report

September/October 2016



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Climate & Engagement Survey 2016

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# Introduction

This report summarises the results of the recent survey of all Department of the Prime Minister and Cabinet (DPMC) staff in September/October 2016. It presents results of staff's engagement, their perceptions of the current culture at DPMC, and outcomes in terms of commitment, satisfaction, intentions to leave and perceived performance effectiveness. The report also explores the drivers of these results and highlights areas to pay attention to.

The questions asked in the survey follow Winsborough's Climate and Engagement model (see below), with the addition of Initiatives, unique questions to DPMC such as Equal Employment Opportunities and diversity, and the use of open-ended questions, we have gathered quality information which allowed for insightful analysis and interpretation of the results. Key results are reported in the Executive Summary in the following page.

How staff feel about			È.	
DPMC	Initiatives	Outcomes	Staff's Open Feedback	
Climate	Career development	Effectiveness	What are the two best things about working for	
Clarity	Change Readiness	Commitment	DPMC?	
Drive	Physical Work Environment	Satisfaction	1.00	
Alignment	Equal Employment Opportunity	Intention to Leave	What motivates you to work for DPMC?	
Confidence	*Ne			
Engagement				
Enabling	No.			
Thriving	$\sim$			
Belonging				

The environment we work in (Climate - measured in terms of Clarity, Drive, Alignment and Confidence) drives how we feel about the organisation, our colleagues, and our work (Engagement - measured in terms of Enabling, Thriving, Belonging), organisational effectiveness, our commitment, satisfaction and desire to leave (Effectiveness, Commitment, Satisfaction and Intentions to Leave).

# **Executive Summary**

This report summarises the results of the recent survey of all Department of the Prime Minister and Cabinet (DPMC) staff, in terms of Engagement, Climate, Satisfaction, Commitment, Equal Employment Opportunities (EEO) and Intentions to Leave. It explores the drivers of these results and highlights areas needing attention.

The response rate of 88% is significantly above typical return rates of between 50-60%. This is a powerful indicator in its own right, suggesting DPMC staff are interested in the organisation and keen to make their voices heard.

#### Engagement

Almost all of DPMC employees are engaged to some extent, with almost half strongly engaged (48%). Your employees show a strong sense of connection to their work. They see and value the impact of their efforts in serving New Zealand, and feel their values are aligned with those of DPMC.

However, with more than half of DPMC staff being somewhat engaged or actively disengaged, there is still room for improvement. There has been a slight increase in the number of disengaged staff (+2%) since 2014, but overall the results represent a similar picture to what existed two years ago.

#### Climate

When we look across the results of the survey for opportunities to enable DPMC staff to lift engagement, there are three clear themes:

- Challenges and Opportunities: Lack of a clear pathway for development and career within DPMC.
- Flexibility and Structure: Decisions being held up by red tape, and current structure as inhibiting the success of DPMC.
- Workload. Inappropriate allocation of people and tasks.

#### Initiatives

- Diversity (EEO): There has been an improvement on ratings of Diversity, which is to be celebrated.
- Career Development: Ratings on Career Development has increased since 2014.
- Readiness for Change: There has been little change since 2014.
- Physical Work Environment: Satisfaction with workplace premises has decreased.

#### **Outcome Measures**

- Effectiveness: More staff see their Business Units as highly effective (5 in 10) than do the organisation (3 in 10).
- Strongly committed to DPMC: 49%
- Highly satisfied with job and work: 73%
- Intend to leave in the next year: 11%

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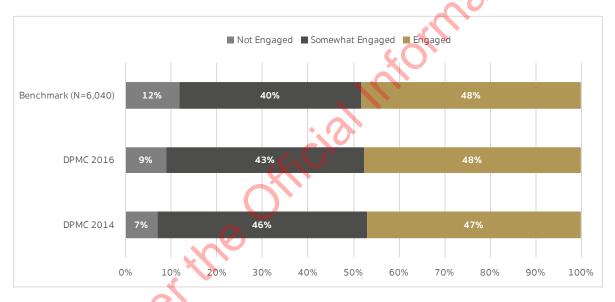
# How Staff Feel about DPMC

#### Engagement

# 48% engaged

Employee engagement is a measure of a person's emotional connection to their organisation. It is to leaders what customer loyalty is to marketing. Engaged employees find personal meaning in their work, take pride in what they do and where they do it, and believe that their organisation values them. Consequently, they contribute more, are more likely to recommend the organisation to others, and are less likely to leave.

We classify employees as "engaged" if their engagement average score is between 4.00 and 5.00 on a 5-point scale. Those whose average score is between 3.00 and 3.99 are classified are "somewhat engaged", and those with an average score of less than 3 are classified as "not engaged".



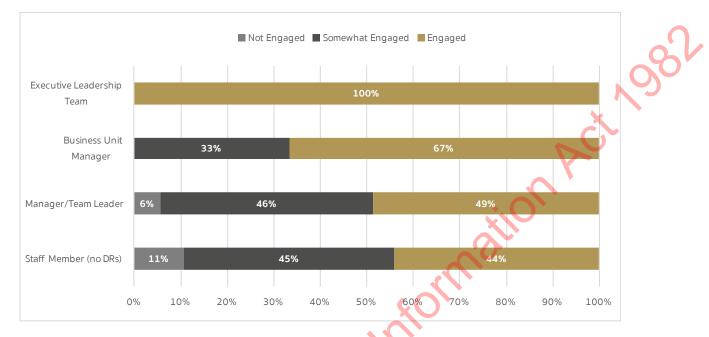
Of the 210 employees who responded to this survey, just under half are strongly engaged. This is the same as the Winsborough benchmark, and is unchanged for DPMC from 2014. However, it also suggests little impact resulted from actions taken following 2014 Engagement results. What follow through was there on these actions, and how focused were they? Still having half of staff either somewhat engaged or disengaged suggests a need to do something differently in order to obtain impact this time around.

\* Derived from over 6,040 NZ employees in 2016.

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#### Engagement by Role Level<sup>†</sup>



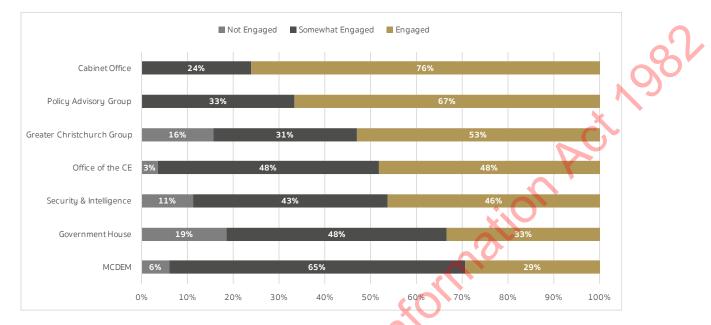
The higher the role in DPMC, the more engaged individuals are. This is a common finding across organisations we survey as leaders in the higher echelons generally have a greater level of control, access to information and input into decisions. The whole ELT is strongly engaged, as are two thirds of the BU Managers. This is highly encouraging as it suggests opportunity to leverage off the high levels of motivation and energy at the senior leadership level. It also suggests that individuals can make a comparison between what they experience on the ELT, with what they see through their Group, in terms of what good Engagement looks like.

In 2014 there was concern about a disconnect between Group level and Team Leaders, due to a high difference between engagement levels. This disparity is not as distinct in these 2016 results, in part due to Team Leaders being more engaged (which should be celebrated) and in part due to the BU leaders being less engaged (which needs investigation).

However, while these are strong results for the top tiers, the majority of DPMC are Managers/Team Leaders or Staff Members, and make up 1/2 of the organisation. It is essential to consider what barriers there might be to staff engagement at these levels, which will be explored in the section on Climate.

 $<sup>^\</sup>dagger$  Ro e Leve was a se f se ect on opt on for a respondent's, and some error has been dent f ed n that 11 nd v dua 's se ected a eve that does not match DPMC's categor zat on. WINSBOROUGH

#### Engagement by Group



We know that higher Engagement leads to higher performance, in part because we get people going that extra mile, and our engaged staff stick around when the going gets tough. Here we can see that Cabinet Office (76%) and Policy Advisory Group (67%), are the most Engaged, whilst MCDEM (29%) and Government House (33%) may see far less discretionary effort based on a significantly lower proportion of engaged staff.

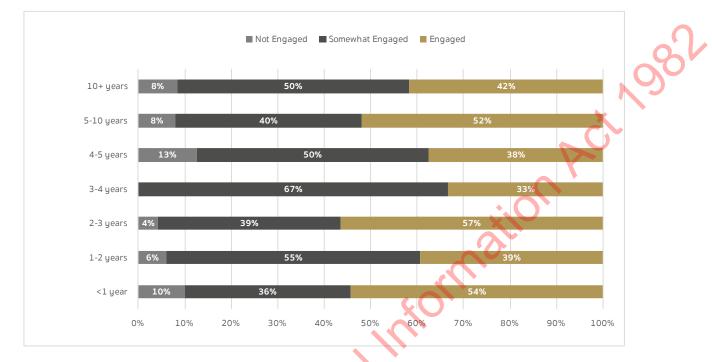
- What is comparatively different about the operating environment or leadership inside MCDEM and Government House that could explain the much lower levels of engagement?
- What performance measures are MCDEM and Government House paying attention to that might alert them to the seriousness of these low levels of Engagement.

#### Engagement by Gender

There was no significant difference in engagement between gender groups. However, this suggests that policies and procedures affect males and females equally in their perceptions and ratings on engagement questions.

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#### Engagement by Tenure

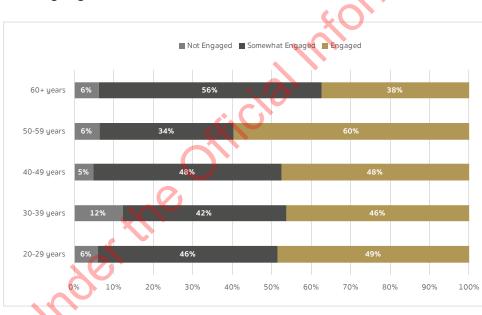


Looking at engagement by tenure allows investigation into how engagement is sustained throughout DPMC. Those who have recently joined the organisation (<1 year) make up two fifths (Appendix A) of DPMC employees, and over half are strongly engaged (54%). This is a common finding across organisations that we survey, generally due to the excitement of joining a new organisation, having an interesting new job, and new and stimulating colleagues.

In contrast, those who have been at DPMC for 1-2 years are less engaged (39%). While it cannot be assumed that those who were strongly engaged in their first year are now less engaged, a decline in engagement after the initial 'honeymoon period' is not uncommon. A drop in engagement in the second year can be for a variety of reasons. Some find that, like any job, it's not all 'roses' and the role doesn't quite live up to initial expectations. Others may feel somewhat disaffected that their new ideas and perspective are not encouraged by structure or more senior employees. Similarly, engagement drops once more around the 3-4- and 4-5-year cohorts (33% and 38% respectively), who make up only 8% of DMPC. It is worth considering why the change, for example are they are being moved into roles that are less satisfying, or perhaps they are being overloaded at this point?

Engagement is comparatively high for those who have been around 2-3 years (57%) and 5-10 years (52%). It could be that those at the 2-3-years mark are being trusted with more engaging projects or have reached a comfortable level of competence. For those in the 5-10 years grouping; generally speaking those who have been around longer are likely more comfortable with the culture and how they fit in. They also tend to have more senior roles, and therefore more visibility and autonomy. The slightly lower level of highly engaged staff beyond the 10-year mark could suggest a need to more strongly support those who are looking towards retirement or roles beyond DPMC.

- What is working for those at the 2-3-years mark?
- For those at the 3-4-years and 4-5-years marks do they feel well represented? Where are all their colleagues? Do they have the career opportunities they anticipated?
- How do we increase the breadth of work and stretch our staff, such as enabling them to take on roles and responsibilities outside of their normal line of work?
- How do we ensure we are embracing new ideas and perspectives, and that the structure of DMPC encourages these to be shared?
- Do we fully understand and communicate role requirements to new hires, and how do we ensure good role fit?



Engagement by Age

Two fifths of DPMC staff are in the 40-49 age group, while one quarter are in the 30-39-years group and another quarter are 50-59 years (Appendix A). The 60+ years age group have the least highly engaged (only 38% strongly engaged), but interestingly in the 10-year age bracket immediately prior to that (50-59), people are the most engaged (60%). The 30-39-year age group have the most strongly disengaged levels of staff (12%).

- What are 30-39-years staff needing? This is likely a time when flexible working hours are important, but also career opportunities as they look forward to their future careers. How can DPMC better support them in this?
- What is DPMC doing that is working for the 50-59 years age group, but not necessarily for the 60+ age bracket immediately above that.

# **Engagement Elements**

To get a better idea of what is driving the engagement levels at Department of the Prime Minster and Cabinet (DPMC) we explore the three elements of engagement: Enabling, Thriving and Belonging.

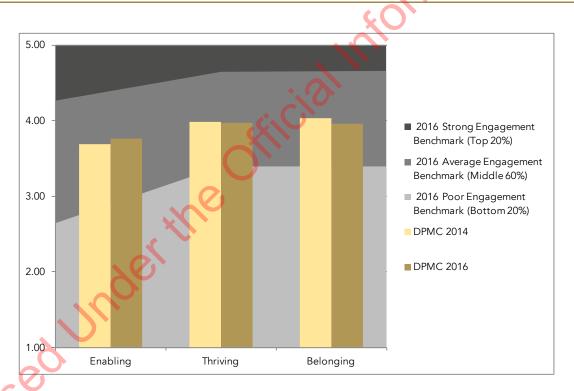
#### Enabling

#### Thriving

A core component of leadership is whether an individual is enabled to do their job through having the right tools and resources and competent leadership. By competent we refer to leaders who remove roadblocks to performance, and who recognise and praise their staff for performing. An individual will thrive at work when it is clear to them what they need to do and can see how their efforts connect to a meaning, purpose and direction for the organisation. They have input into decisions that affect them and can grow professionally through challenges.

#### Belonging

Finally, people connect emotionally to their workplaces when they experience belonging and have bonded with colleagues and workmates. This is not an end in itself – rather it is a consequence of winning together.



There are no significant differences between 2014 and 2016 engagement results by element. DPMC employees feel that they are being slightly better enabled to fulfil their roles. There has been no change to how connected they feel to the meaning, purpose and direction for DPMC, nor input they are being given into decisions. There is a slight decrease in the extent to which they feel connected to their colleagues. Whilst at first glance it looks like DPMC is tracking okay, when compared to our Engagement Benchmarks the results are only average.

- As you read through the following sections on Climate, look for specific actions you can take to achieve ٠ stronger engagement, particularly to leverage the modest improvement in Enabling.
- Released under the Official Information Actives

# **Organisational Climate**

The Winsborough organisational climate model describes four elements of an effective organisational culture. Higher scores are associated with greater success. The four elements are:

Clarity	Drive	Alignment	Confidence
Clarity describes the extent to	Drive describes the focus and	Alignment measures how well	Confidence measures the
which the organisation	energy an organisation develops	processes, systems and	extent staff feel their work
collectively understands and	and harnesses to realise its	structures support high	team and the organisation
articulates its purpose, goals,	vision.	performance.	is successful, and whether
and core operating principles.	<i>Drive is split into five factors:</i>	Alignment is split into four	colleagues are positive.
<i>Clarity is split into three factors:</i>	Achievement Orientation,	factors: Flexibility and Structure	Confidence is split into
Values, Roles, and Clear	Manager Support, Rewards,	Communication, Co-operation,	three factors: Affect and
Direction.	Challenge and Opportunities,	and Workload.	Morale, Business Unit
	and Innovation.		Efficacy, and
		<b>60</b>	Organisational Efficacy.

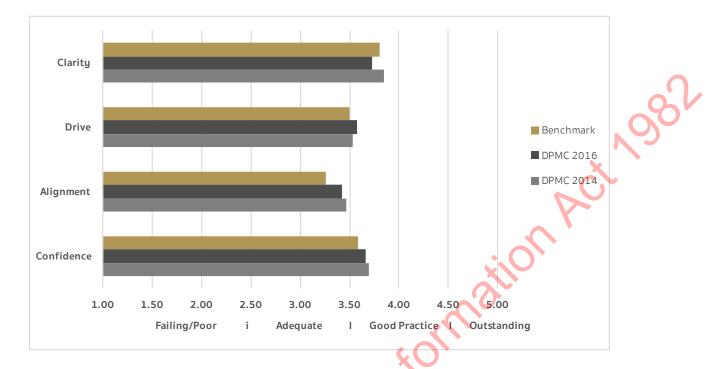
#### Benchmarks

Results are presented against Winsborough's 2016 Climate benchmark (in gold) based on a sampled dataset of more than 2,000 employees from NZ organisations across a range of industries and sectors including FMCG, Government, Health, and Construction. <sup>‡</sup>

<sup>\*</sup> Note that DPMC climate survey has five additional items that are not in Winsborough's standard Climate model. Therefore, climate benchmark comparison in this report should be treated as indicative and at the dimension-level rather than item-level. Analyses were run to ensure the difference between DPMC's dimensions in 2016 and Winsborough's norm isn't concerning.

#### Climate & Engagement Survey 2016

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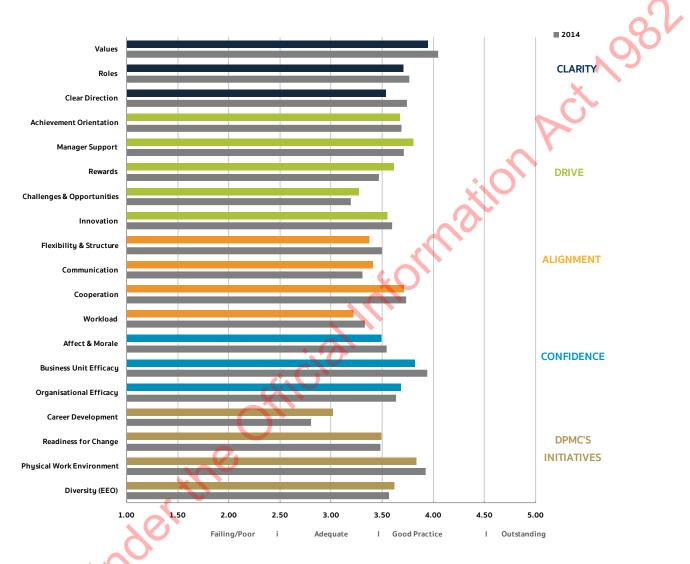
When we look at the climate elements compared to 2014, there has been a marginal increase in focus and energy (Drive, 1%) which although small, may still reflect initiatives in this area. However, there has been a drop in Confidence, Alignment and Clarity, with Clarity dropping (3%) below the benchmark. While not statistically significant, this does highlight that there is a need for action to be taken.

In the coming pages we will dive into results across Climate elements by business group to allow targeted actions to lift Climate, and thereby Engagement and organisational performance.

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#### **Climate Factors**

Below are DPMC's results on all climate factors.



When we drill down into the factors of climate it is evident that the increase in Drive is most strongly related to Rewards (+0.15), as well as Manager Support (+0.09) and Challenges & Opportunities (+0.08). However, Innovation has decreased (-0.05).

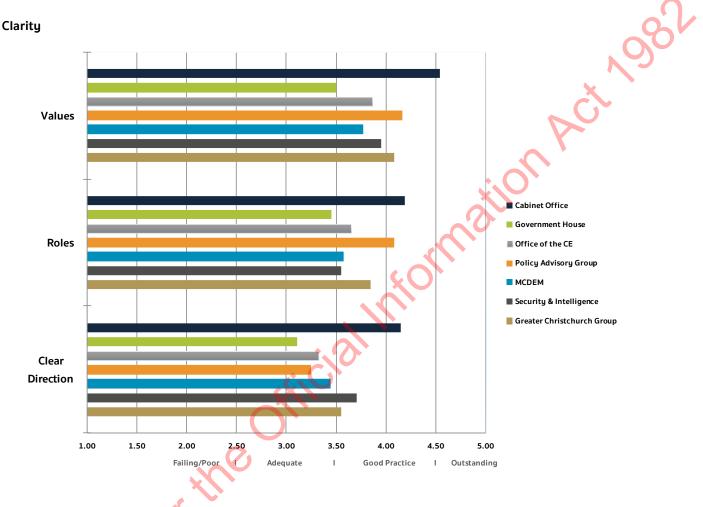
The drop in Confidence is primarily in perceived Business Unit Efficacy (-0.12); for Alignment, in Workload and Flexibility (-0.12 for both); in Clarity in Clear Direction (-0.21), which is the second biggest drop across factors.

Initiatives across DPMC have resulted in improvements in terms of Career Development (0.22) and Diversity (EEO) (0.06). There has been no visible shift in Readiness for Change and Physical Work Environment has decreased.

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#### Climate Detail by Group

Below are results of each climate factor by Group.

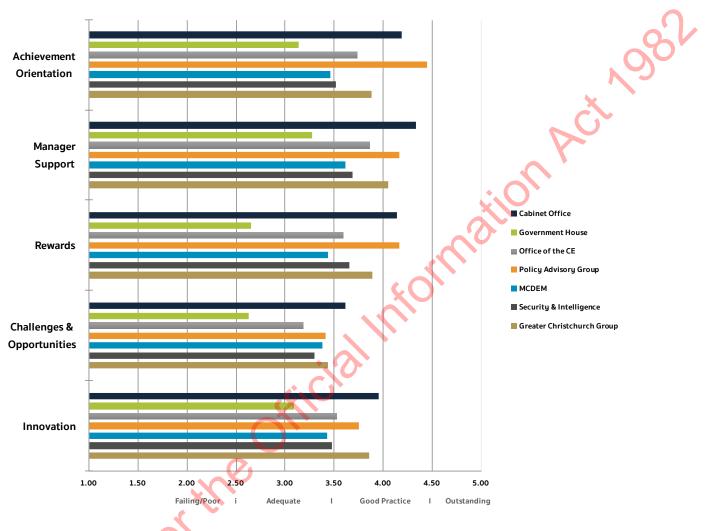


## At the group level almost all staff see values communicated and role modelled by senior managers, and feel they are similar to their own values (Values). Having shared values is important in that it allows clearer communication and quicker consensus on what is important. It also allows the organisation to be clearer about what it stands for externally.

Staff in all groups feel moderately clear on how their roles link to DPMC's goals and on what they each need to be doing (Roles). There is some way to go before this is felt to be good practice across all areas.

In contrast, only Cabinet Office staff feel there is a good understanding of where DPMC is going, and that it is being well articulated (Clarity). All other groups do not share this same sense of clarity about long-term direction. Clear direction is a critical element of enabling quick decision making and autonomy across an organisation. It allows collective energy to be harnessed for greater performance, and removes a degree of uncertainty, even in times of change.

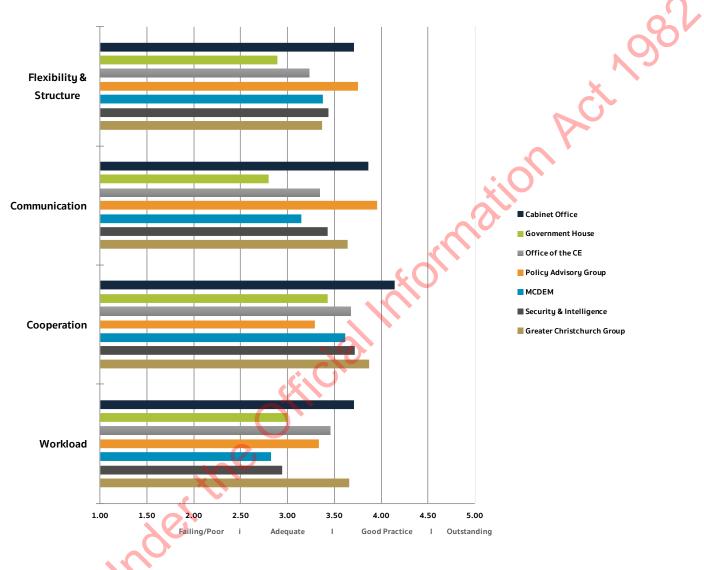
Drive



At the Group level we can see Cabinet Office and PAG feel people are held accountable for achieving results (Achievement Orientation), are listened to (Manager Support), and their achievements recognised (Rewards). These two groups are the highest performers in terms of Engagement. Greater Christchurch Group also feel supported and listened to (Manager Support).

In contrast, Government House staff feel significantly less recognised than in other areas (Rewards). They also report much less around drive for achievement (Achievement Orientation), and encouragement to try new approaches (Innovation). Both Government House and Office of the CE want more opportunities to grow and progress (Challenges & Opportunities).

#### Alignment

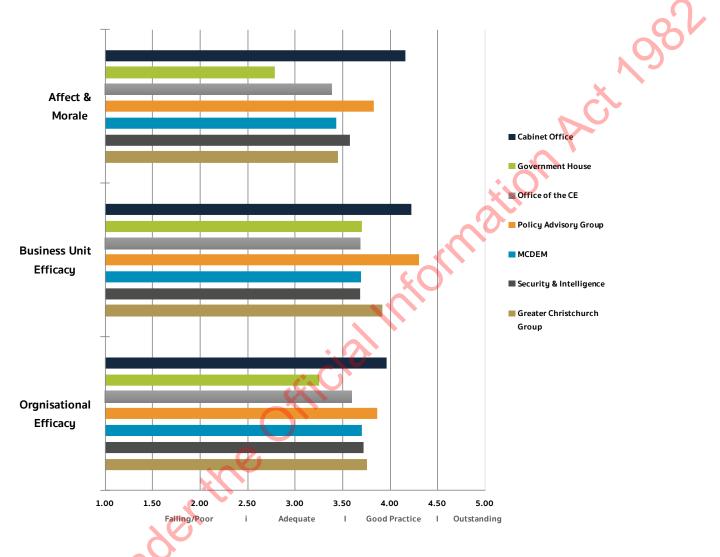


When we explore Alignment, most Groups feel that the structure of DPMC contributes to its success (Flexibility and Structure), that there is adequate sharing of the right information (Communication), and that staff put aside their differences for the collective good (Cooperation). However, there is a fair way to go for most Groups to achieve good practice in these areas.

Government House feel that there is inadequate allocation of staff and tasks. Government House also feels restricted in terms of having input into decisions (Flexibility & Structure) and having open and transparent communication (Communication).

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#### Confidence

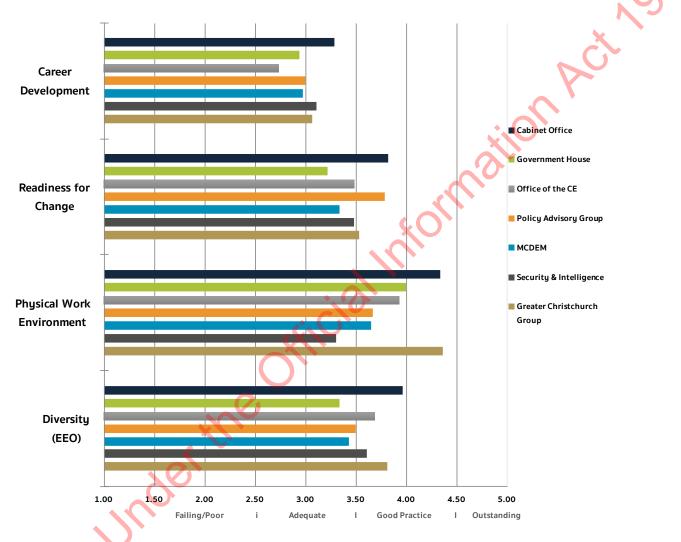


While Confidence in DPMC dropped from 2014, all groups appear on par. Affect & Morale, Business Unit Efficacy and Organisational Efficacy are generally rated as at least adequate, and most are approaching good practice.

Cabinet Office and PAG see each of their groups as effective at achieving their main purposes (BU Efficacy). Cabinet Office also sees a higher level of enthusiasm amongst its employees (Affect and Morale) than other groups. It is also more confident that the organisation can make the changes necessary to succeed in the future (Org Efficacy). This suggests that Cabinet Office is attuned to the current state of DPMC, and is realistic about the challenge in front of it.

#### **Organisational Initiatives**

Additionally, we look at factors that may be related but distinct from climate. We asked DPMC staff their perceptions of career development, readiness for change, physical work environment and diversity/EEO practices. Below are the results broken down by Group:



All Groups consider Career Development as merely adequate. Alarmingly, Office of the CE, Government House, MCDEM and PAG results cluster in the negative (average below mid-point) on their perceptions towards Career Development, which represent a quarter of DMPC staff.

Cabinet Office and PAG consider DPMC to fall within the good practice range, the remaining Groups are seeing support for change initiatives as adequate. Generally, staff feel adequately supported in terms of having the knowledge and training to make necessary changes at work, and having manager support for change initiatives.

Across the groups Physical Work Environment is seen as good practice. The Security and Intelligence group and MCDEM are least satisfied with their work premises.

Encouragingly, ratings on Diversity increased from 2014. All groups see Diversity as adequate, verging towards good practice. However, there is a way to go to reach outstanding performance in this area.



Climate & Engagement Survey 2016

	Cabinet Office	Policy Advisory Group	Greater Christchurch Group	Office of the Chief Executive	Security & Intelligence	Government House	Ministry of Civil Defence & Emergency Management	
Values	•	0	0	0	0	0	0	
Roles	0	0	0	0	0	0	0	
Clear Direction	0	0	0	•	0	0	•	
Achievement Orientation	0	0	0	0	0	0		
Manager Support	0	0	0	0	0	0		-
Rewards	0	0	0	0	0	•		
Challenges and Opportunities	0	•	0	•	0	0	0	-
Innovation	0	0	0	0	0	0 5	0	
Flexibility and Structure	0	0	0	0	0	9		
Communication	0	0	0	0	0		0	-
Cooperation	0	•	0	0	0		0	
Workload	0	0	0	0			0	
Affect and Morale	0	0	0	•			0	1
Business Unit Efficacy	0	0	0	0		O	0	1
Organisational Efficacy	0	0	0	0		0	0	1
Satisfaction	0	0	0	0 (		0	0	1
Commitment	0	0	0			0	0	]

This picture is made starker when explored at a finer level of analysis:

Poor (<2.5) Adequate (2.6 –3.5) Good practice (3.6 – 4.5) Outstanding (4.6 >)

Only one group (Cabinet Office), on one factor (Values), achieves an outstanding result. Across the organisation Climate factors, Values (Clarity) stand out as the highest scoring area. Having high Values ratings across the Groups should be celebrated. As previously highlighted, being aligned in terms of values is important for organisational efficiency and cohesion.

Challenges and Opportunity (Drive) has shown up as being rated the lowest scoring<sup>§</sup> Climate factor. Given that this is evident across all Groups (less Cabinet Office) this suggests a structure or cultural challenge in DPMC. Workload and Flexibility and Structure (Alignment) are similarly showing up as issues across DPMC. These were highlighted as focus areas in 2014.

Greater Christchurch Group deserve a mention for achieving good practice in most areas. This reflects a seamless integration into DPMC. Where they are falling below good practice is predominantly where other groups are also challenged, and potentially points to an organisational or systemic issue.

How can we celebrate the successful integration of Greater Christchurch Group?

How can best practices be replicated, for example what is GCG doing differently to manage task allocation and staff resourcing?

How can we better articulate DPMC's purpose and long term direction at all levels?

<sup>&</sup>lt;sup>§</sup> Based on average score across business units.

Climate by Role Level (pg. 39)

If we take a look at Role Level (Appendix B) we can see that ELT members and BU Managers rate Values, BU Efficacy and Org Efficacy highly. Team Leaders also rate Values and BU Efficacy highly.

In contrast, ELT and Staff rate Flexibility & Structure (Alignment) as low, and all employees rate Workload (Alignment) poorly. Team Leaders and Staff also rate Challenges & Opportunities (Drive) poorly.

everence of the official information of the official infor Employees at all role levels are disappointed in role pathways and career support (Career Development) and the support

#### **Climate Summary**

Interestingly, there has been a shift in what staff are wanting: in 2014 staff were not feeling empowered to use their strengths. They wanted to be better supported by their managers, and to have their achievements recognised and rewarded. These have shown up as having improved, and are no longer the lowest ranking areas.

The key areas which staff want attention paid to show up as three clear themes:

- Challenges and Opportunities: DPMC staff struggle to see a clear pathway for their career within DPMC. They
  would like better training and support to develop or enhance their careers. This is particularly at the Team
  Leader and Staff (no direct reports) level. Taking the time to explore career options for employees
  demonstrates that they are valued. Increased breadth of experience across the organisation can re-engage
  employee motivation. Re-deployment or secondment within the organisation also broaden networks, and
  understanding of what others in the organisation contribute to the overall goal.
- Flexibility and Structure: Employees feel that decisions for action are being held up by red tape, and that there could be better dissemination of the right information to the right people. They see the current structure as inhibiting the success of DPMC. This is particularly true of ELT members and Staff (without direct reports). Often the way in which we go about our business have evolved with the organisation, and are based on layers of assumptions that have long been forgotten and may no longer apply to the current context. Re-examining our assumptions about how things should be done can surface opportunities to do things in a more effective way, and allows new perspectives and ideas to be engaged.
- Workload. Staff at all levels have indicated workload as inappropriate, and distribution of tasks as an area of concern. Inadequate staffing and task allocation are likely contributing to the lack of career development and dissemination of information to the right people.

#### Levers for change

While targeting these areas will lift engagement across DMPC, improving performance is best achieved by finding the most effective levers. While all climate factors contribute towards staff engagement, some contribute significantly: taking focused actions in these areas will significantly lift engagement. Statistical analysis of factors driving engagement at DPMC shows the three cultural factors which are most predictive of engagement (in order of strength of impact):

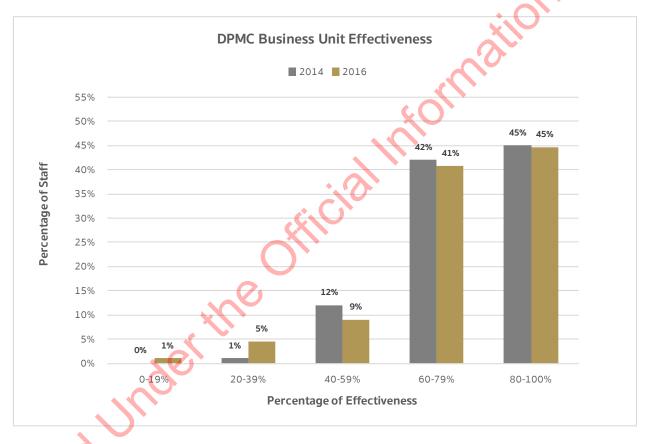
- **Clear Direction (Clarity),** While Clear Direction is not one of the lowest performing areas, there has been a decrease in the articulation and understanding of the long-term direction of DPMC. This can create uncertainty and impede intent-based decision making, which leads to more cumbersome decision making processes.
  - **Workload (Alignment).** Having a clear direction and set of priorities enables staff at all levels to make decisions about what is a priority, and what is not. Examining the extent to which employees are encouraged to articulate the impact of reduced staff, or increased tasks, can unearth unspoken rules about not constructively discussing task assignments.
- **Cooperation (Alignment)**. Enabling staff to put aside individual differences to achieve collective goals and setting up structures and processes so that cooperation can take place will reap rewards in terms of greater collaboration.

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# **Outcome Measures**

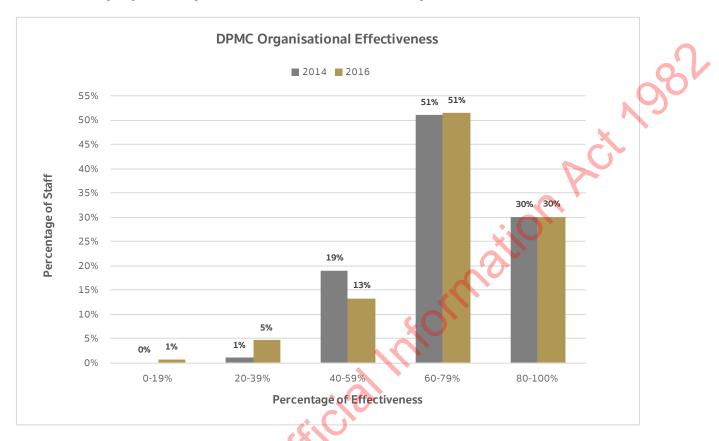
#### Effectiveness

Our measures show how staff members perceived their Group's and Organisation's performance, how much is achieved by a fully optimised workforce. How effective people feel in their work can impact on their motivation to expend discretionary effort and go above and beyond what is expected of them in their roles. It can also be deeply demoralising when you feel you are investing and working hard but collectively are not achieving the primary objectives. The chart below presents staff perceptions of Business Unit Effectiveness as proportional percentages.



There is a slight increase in the number of staff who see their Group as less than effective. While 2 in every 5 staff feel that their Group is reaching at least 80% effectiveness, and 2 in 5 see their unit as 60-80% effective, it is concerning that about 1 in 5 feel that it is only at 60% effectiveness or less.

Climate & Engagement Survey 2016



On whether the agency is achieving as much as it could, below are staff's ratings:

Almost half of DPMC staff (45%) believe their Group is being successful (80-100% efficacy) in helping DPMC in achieving its purpose of 'advancing a confident well governed and secure New Zealand'. However, those believing DPMC is at peak performance (80-100% efficacy) is significantly lower (30%) than this, with the majority of staff (51%) believing the organisation is only moderately successful (60-79% efficacy) in achieving its purpose.

Some of those who see DPMC as successful may simply be 'cup half full' optimists, however, they could be leveraged to raise overall perception across DPMC.

Those that see DPMC as only moderately effective can be a reliable source of what needs to be improved. Those who have a 'glass half empty' view of DPMC performance may have a useful perspective, however.

What is the internal narrative about what makes DPMC successful or unsuccessful as an organisation? What stories are they telling or paying attention to that affirms perceptions of effectiveness? How can these be shared more widely?

- What are our collective measures of success?
- How do we confirm or challenge our conclusions about success or failure?

#### WINSBOROUGH

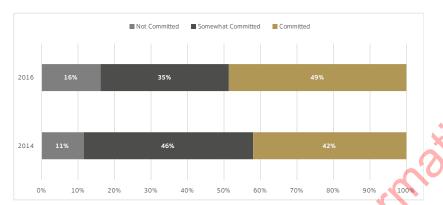
49%

committed to

DPMC

#### Commitment

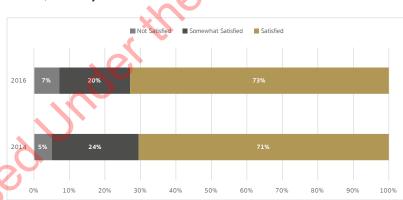
Commitment is about being proud to work at DPMC, that opportunities inside are better than outside, and feeling that to leave would let others in the organisation down.



More DPMC staff are committed now than were in 2014: Almost half (49%) are strongly committed (an increase of +7%). However, there are also more identifying as not committed (+5%). The changes seen here may simply be as a result of the incorporation of GCG. However, the increased Drive (greater management support) and the decrease in Clarity (unclear direction) are likely to have contributed to the change in Commitment.

#### Satisfaction

Our satisfaction scale measures how DPMC employees feel about their job in terms of the work, their achievement, and the job itself.



73% Satisfied with Job

There are slightly more satisfied staff (+2%), however, also slightly more dissatisfied (+2%). Our analysis shows a positive and strong relationship between DPMC employee satisfaction and their level of engagement. This means the more engaged staff are, the more satisfied they are with their job and vice versa. Addressing aspects of Climate and Engagement that have had lower ratings is likely to increase job satisfaction, particularly in terms of Workload, Challenges & Opportunities and Clear Direction.

Climate & Engagement Survey 2016

11%

actively looking

to leave

#### Intentions to Leave

Engagement is a strong determinant of intentions to leave. While a modest turnover is necessary to allow fresh new talent to come into the organisation, if talent is leaving prematurely it can be costly in terms of the loss of experience, retraining time and impact on morale and team bonding.

	l am actively looking	lt wouldn't take	l intend to leave	l am actively	NZ Worker
	at leaving and will	much for me to leave	within the next 12	looking at leaving	turnover June
	leave as soon as l	this organisation	months.	and will leave as	2015 (Statistics
	can.	right now.		soon as I can	NZ)
				(2014)	
Agree or	110/	20%	270/	10%	1.00/
Strongly Agree	11%	20%	27%	10%	16%

Further analysis reveal that among factors of engagement, **Thriving** and **Belonging** have the strongest impact on staff's intent to leave. In other words, the more staff are able to excel, and the more they have a sense of connection with their teams, the less likely they are to consider leaving.

Between these two, Belonging stands out as the stronger predictor, especially responses to 'l am proud to work for this organisation' and 'There is a high level of enthusiasm amongst employees'. The specific Thriving item of 'My job offers me opportunities to do what I excel at' also strongly informs intention to leave.

# Top Five & Bottom Five

In order to dive deeper into the results we looked across responses to Engagement and Climate questions. We wanted to determine which questions were rated at the top and should be celebrated and which were rated the lowest on average and indicated priorities for improvement.

#### Celebrate

Highest Scoring Items (Engagement and Climate only)	Average Score (Out of 5)
My work at this organisation is meaningful <i>(Engagement - Thriving)</i>	4.30
I am proud to work for this organisation (Engagement - Belonging)	4.28
Our organisation's values are relevant to my work (Climate – Clarity - Values)	4.11
My personal values are similar to the values of this organisation (Climate - Clarity -	
Values)	4.09
Employees in my unit work together as a team ( <i>Engagement - Belonging</i> )	4.09

Among the top scoring areas are Engagement elements of meaningful work, pride in the organisation, and teamwork. These are echoed in the comments gathered from staff about what motivates them to work for DMPC (pages 32-33). The Climate element of Clarity features high performance on values – alignment between the organisation and self. These elements all speak to an inherent energy and drive to do one's best for the organisation. These will carry the organisation some of the way, but should not be taken for granted.

> "When people are financially invested, they want a return. When people are emotionally invested, they want to contribute." *–Simon Sinek*

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#### Priorities for Improvement

Below are lowest scoring items across all engagement and climate questions. These signify DPMC's priorities for improvements.

Lowest Scoring Items (Engagement and Climate only) Avera	age Score (Out of 5)
The structure of the organisation contributes to its success <b>(Climate –</b>	- G
Alignment - Flexibility & Structure)	3.13
The right people get the right information at the right time <i>(Climate –</i>	<u>,                                     </u>
Alignment - Communication)	3.12
Decisions for action are not held up by red tape (Climate – Alignment -	
Flexibility & Structure)	2.85
We have sufficient staff to do the work ( <i>Climate – Alignment - Workload</i> )	2.82
can see opportunities to progress within the organisation (Climate – Drive	
Challenges & Opportunities)	2.80

In general, the Challenges & Opportunities scale offers the greater opportunity for improvements, however 4 out of these 5 items relate to the Climate element, Alignment.

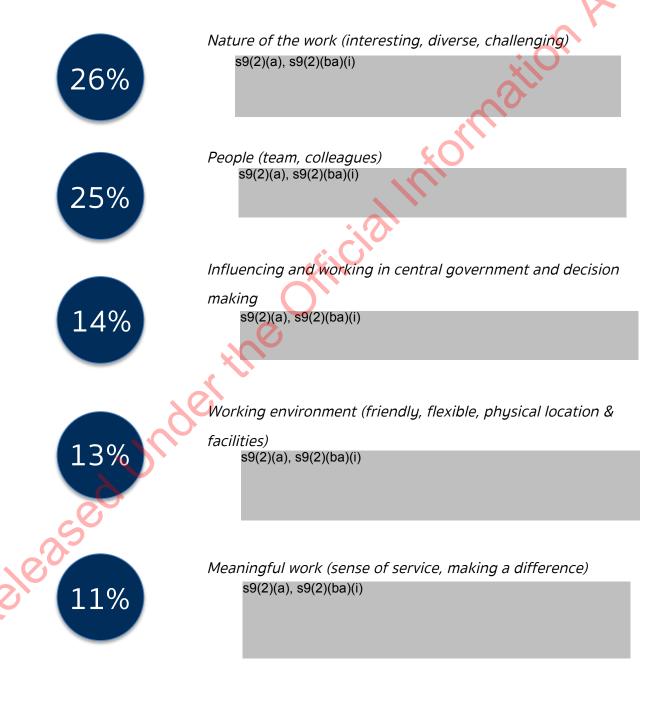
- Is there something inherent in the structure or culture of DPMC which restricts the development and progression staff?
- Where can we remove the red tape and align processes to DPMC's goals and objectives?
- Where can DPMC structure be better aligned with its intent and purpose?
- How can we better allocate people to task?

# **Comment Analysis**

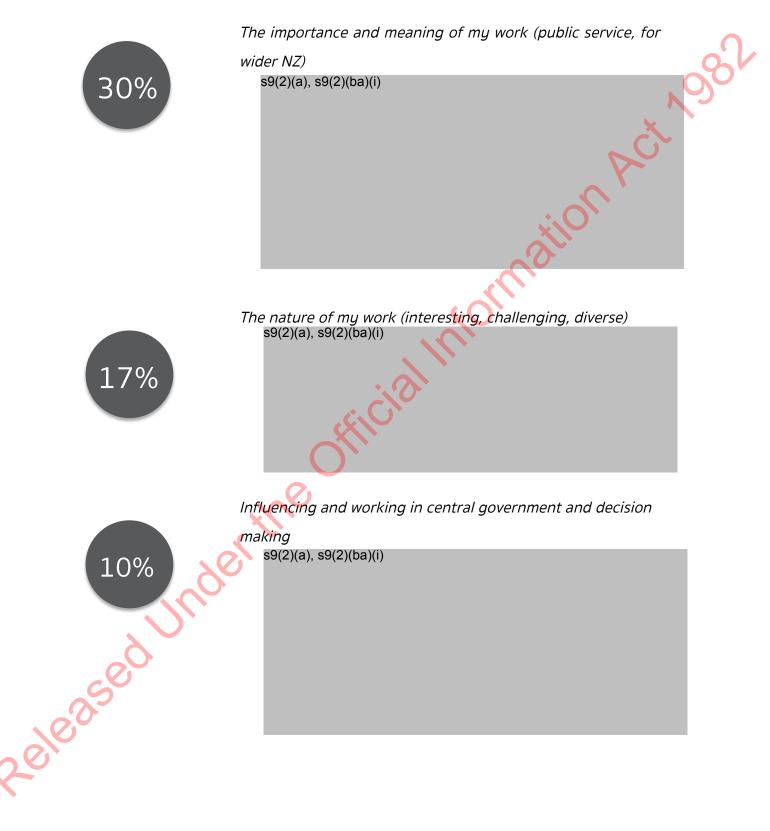
At the end of the survey, DPMC staff were invited to answer two open-ended questions. This is their opportunity to voice their feedback and opinions to the organisation.

Below are key themes that have over 10% of mentions for both questions. Note that not everyone provided responses to these questions.

### "What are the two best things about working for DPMC?"



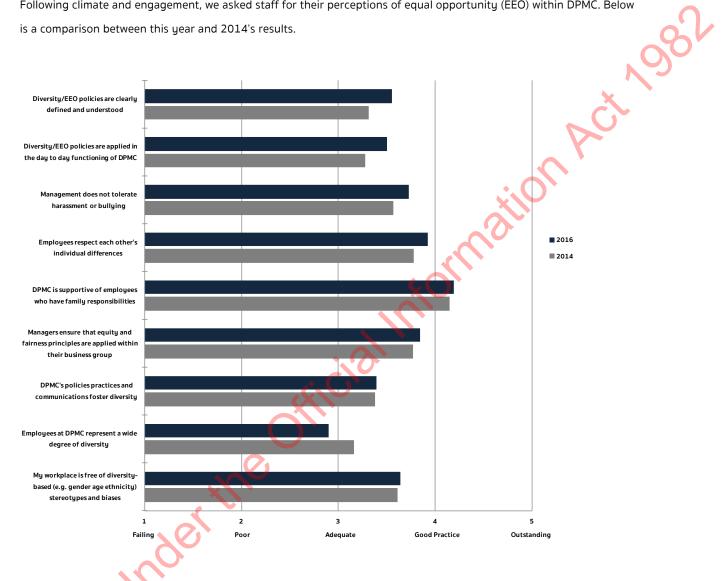
#### "What motivates you to work for DPMC?"



# **Equal Employment Opportunities**

Following climate and engagement, we asked staff for their perceptions of equal opportunity (EEO) within DPMC. Below

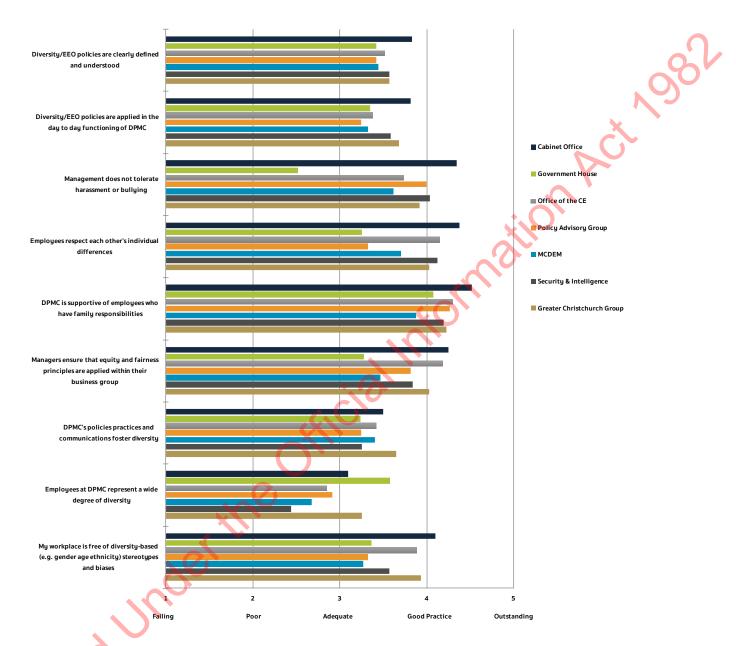
is a comparison between this year and 2014's results.



Across areas of diversity and EEO, there is a small but positive shift in DPMC staff's perceptions. While we see a noticeable increase in staff's understanding and definition of EEO and diversity policies, there is a drop on their perception of diversity being represented. When looking across role levels, business unit managers don't see DPMC as internally diverse.

How do our selection and promotion processes exclude or include diversity?

#### EEO Breakdown by Business Group



Overall, the business groups show significantly different perceptions of EEO related matters. While diversity is being focused on, most Groups consider DPMC not to represent a wide degree of diversity even though most think that EEO principles are being applied adequately. Given that the Security and Intelligence group are likely to make more use of Security Clearances then it is unsurprising that they see less diversity in the workplace.

Cabinet Office have a much more positive perspective on bullying, respect, support and stereotypes than the rest of DPMC, but are aware that policies could be better defined and understood and applied.

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The lowest scoring items 'Management does not tolerate harassment or bullying' from Government House deserves attention.

- ٠ Are our diversity goals realistic given the nature of our work, in particular for select Groups such as Security **196** and Intelligence?
- How do our Security Clearance processes inhibit diversity? •
- .rdra where What needs to be clearer about our EEO policies for them to be more easily understood and applied?

# Next Steps

We are committed to helping you translate the insights in this report into sustainable engagement. We can support you in the following ways:

#### Reflect and prioritise

Running a workshop with your senior leaders, to facilitate the reflection process and prepare for the dissemination of the results to their team members.

#### Plan

Guiding you in writing a plan to raise engagement, focusing on the areas identified in this report.

#### Change

Follow up workshops with your senior leaders to help them implement the plan, and redirect efforts as necessary.

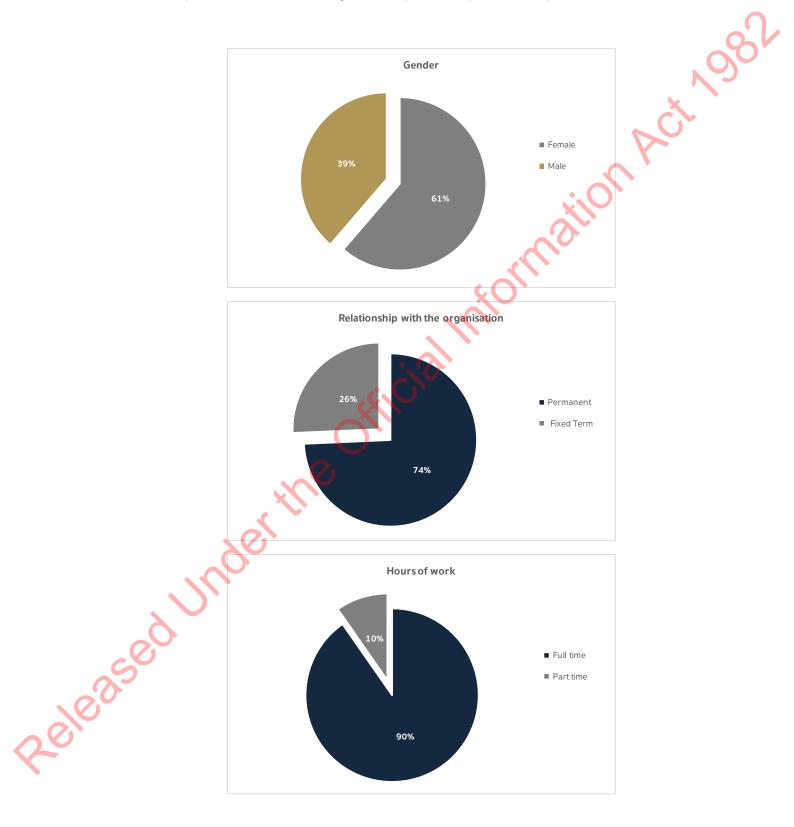
#### Measure

eleasedur

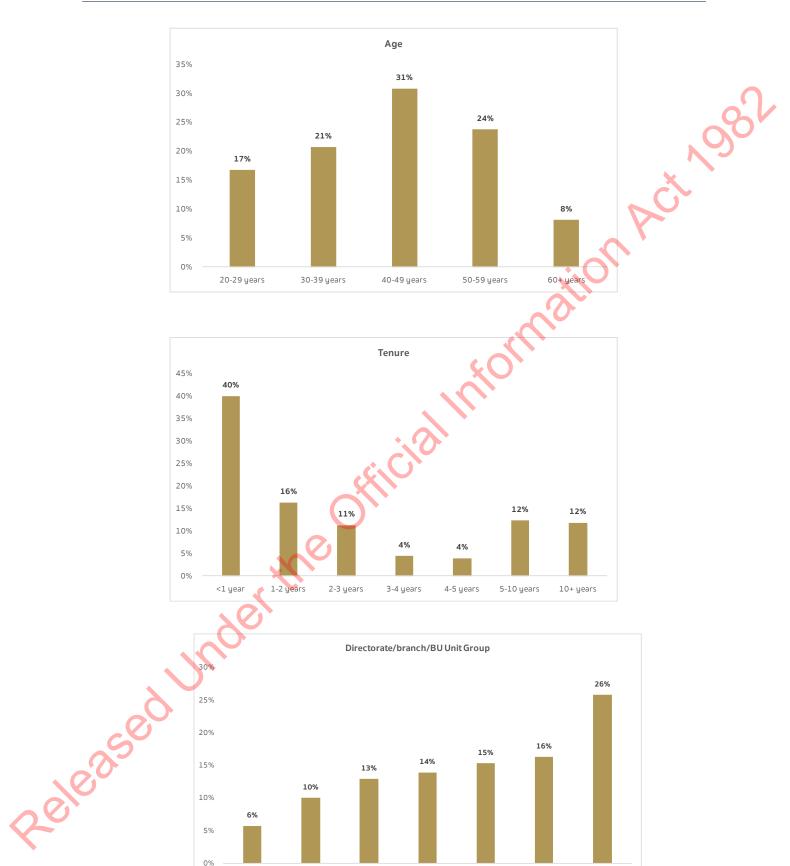
Make sure your goals can be measured against some sort of meaningful criteria, think about pulse surveying to track goal progress in –between organisational surveying. Repeating the survey on a 12 monthly cycle is recommended to enable you to track the impact of changes you make.

#### Appendix A – Demographics

A breakdown of respondents is shown below. Only those who provided responses were reported.



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0%

Policy Advisory Cabinet Office

Group

Government Office of the CE

House

Greater

Christchurch

Group

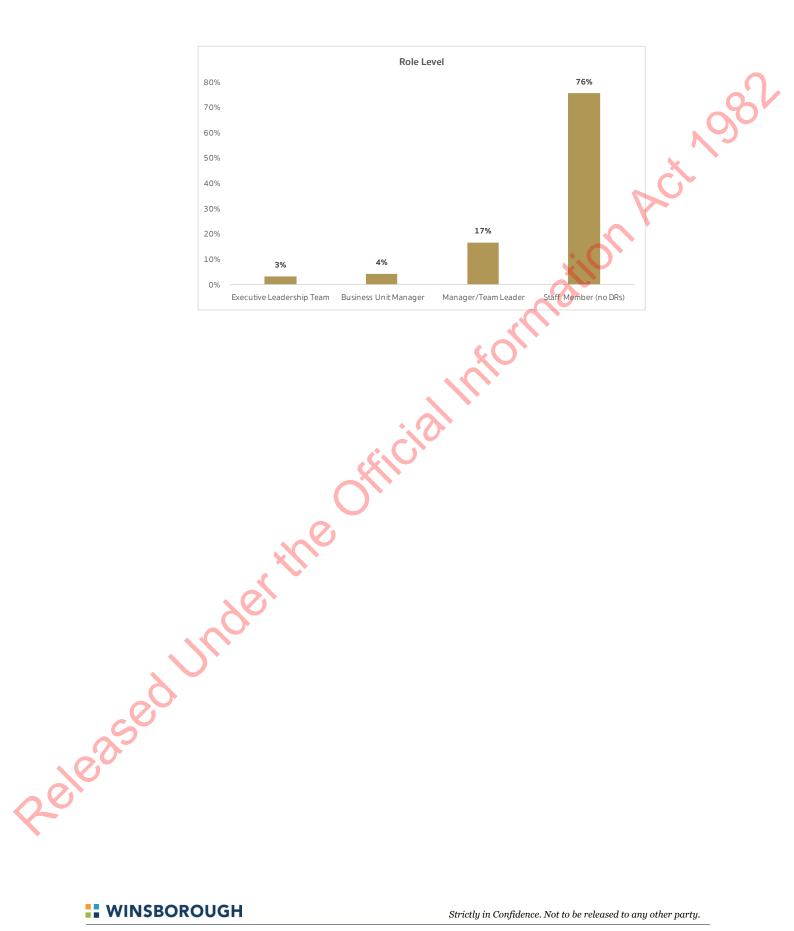
Strictly in Confidence. Not to be released to any other party.

Security &

Intelligence

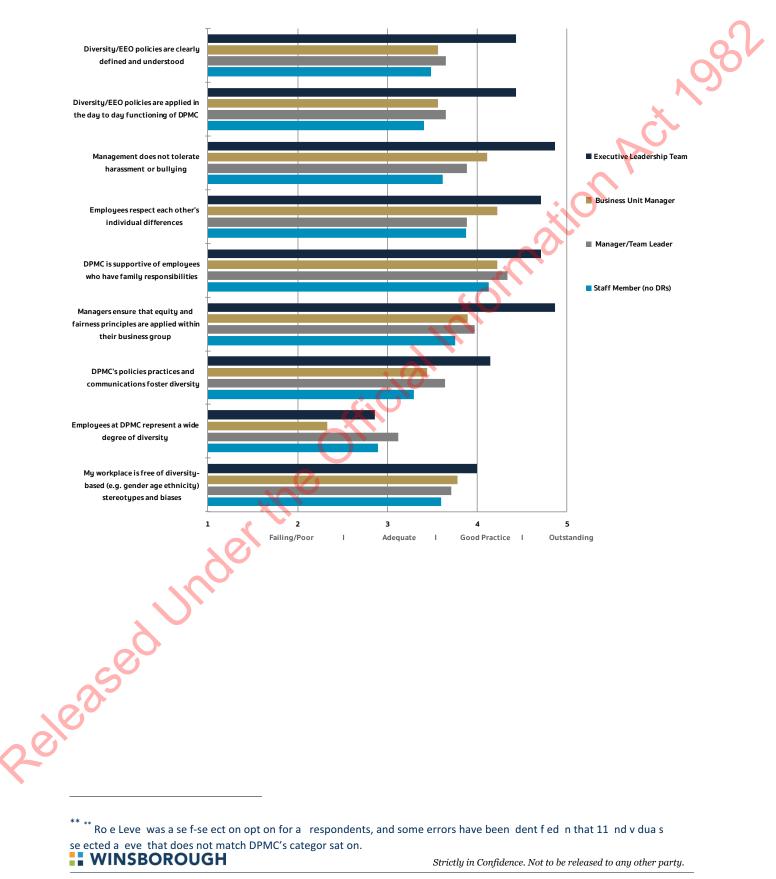
MCDEM

Treasury:3886955v1

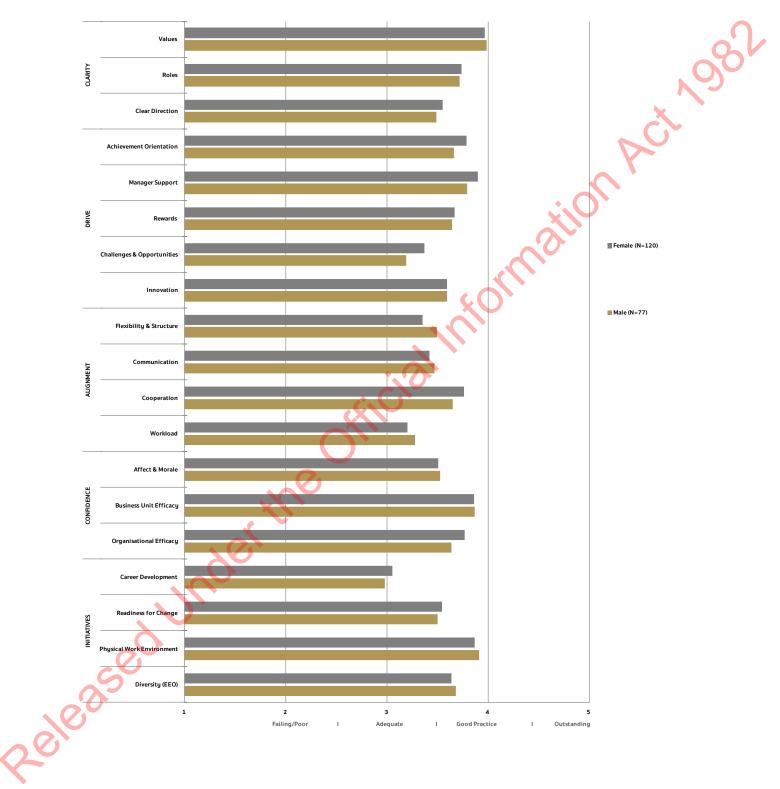


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#### Appendix B – Climate by Role Level\*\*

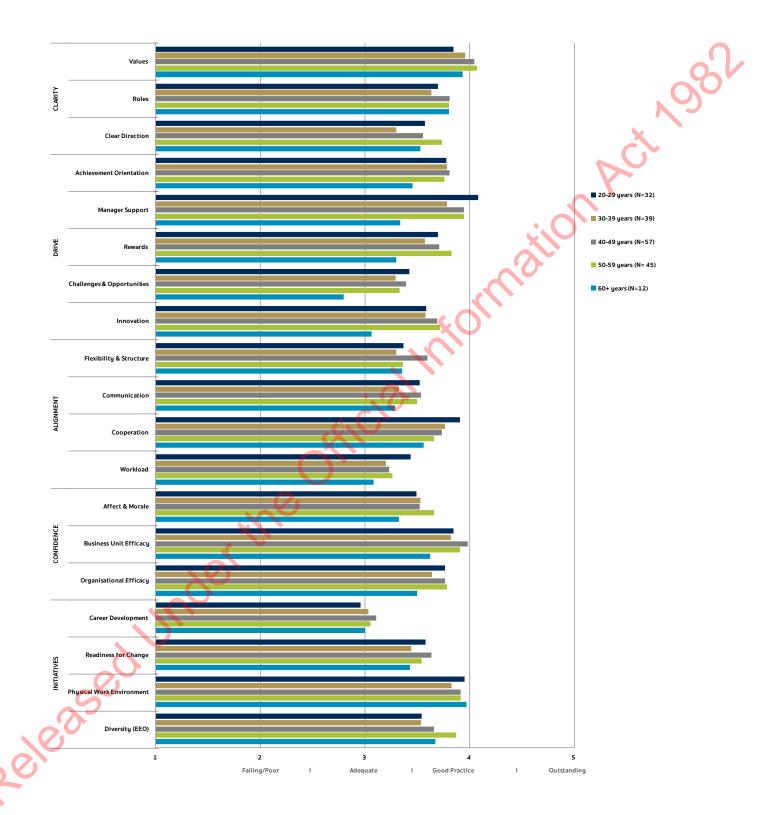


#### Appendix C – Climate by Gender



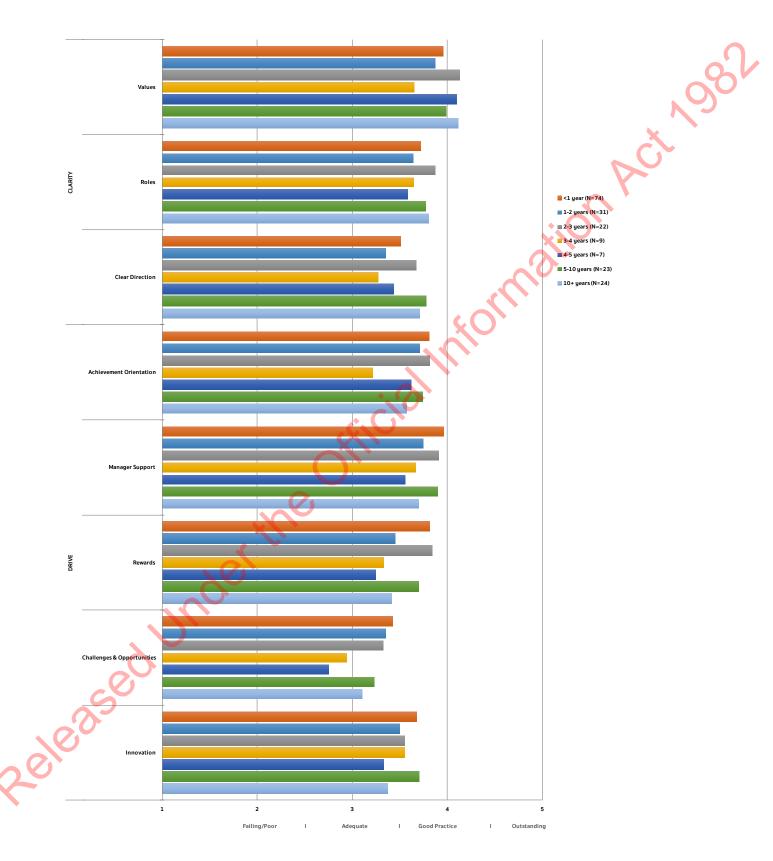
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#### Appendix D – Climate by Age Group

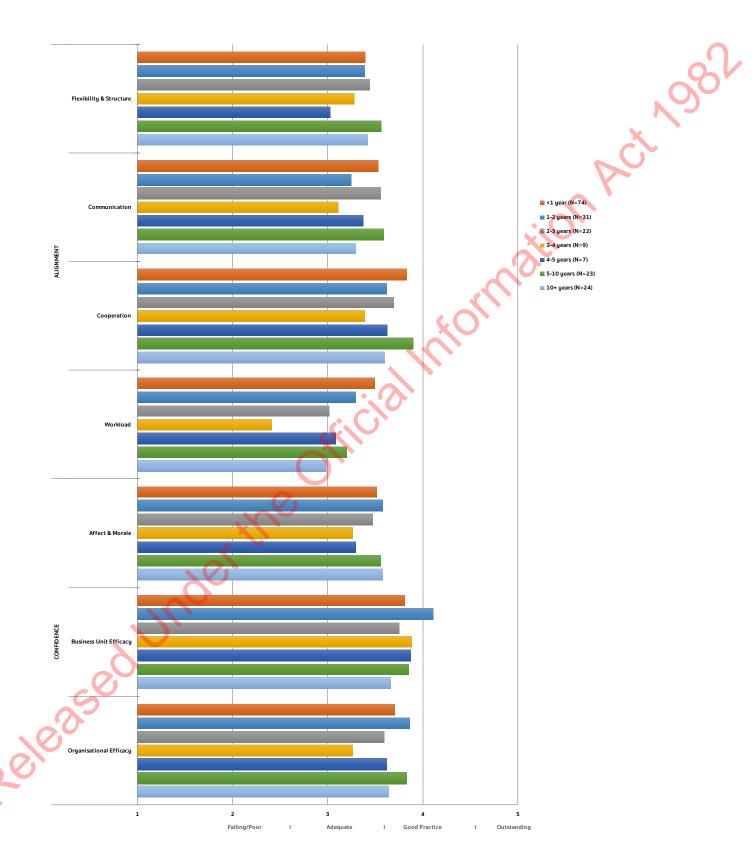


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Appendix E – Climate by Tenure Group: Clarity & Drive



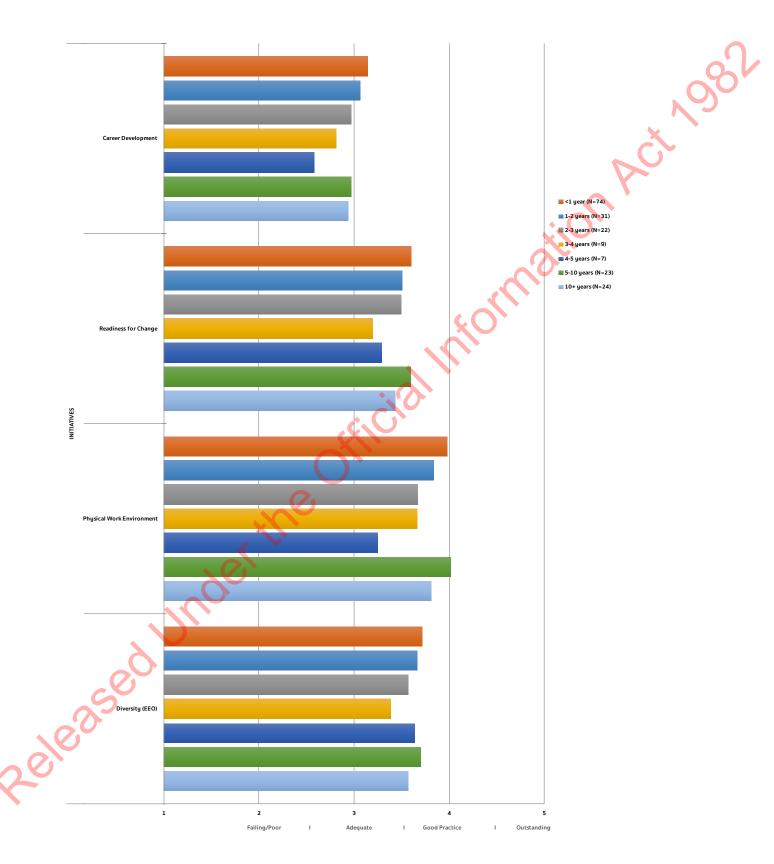
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#### Appendix E – Climate by Tenure Group (cont.): Alignment & Confidence

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#### Appendix E – Climate by Tenure Group (cont.): DPMC's Initiatives



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#### Appendix F – Verbatim Comments

What are the two (2) best things about working for DPMC?

[Appendix F (pages 44 to 59) consists of verbatim comments from individual staff. These are withheld under s 9(2)(a) and 9(2)(ba)(i)]

d under the

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