Recruitment and retention supplementary report August 2022

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Overview:

Background

During the Overview and Scrutiny Committee on 20 June 2022, Councillors asked several additional questions relating to recruitment and retention. These were:

- 1. An examination and analysis of exit interview data
- 2. An examination of recruitment data to identify numbers of applicants, numbers of interviewees, successful hires, numbers of drop out at interview, numbers who are successful but then do not start (either because they decline offer or for any other reason)
- 3. Information relating to our actions to retain people who resigned.
- 4. Interventions to improve recruitment and retention at Waverley in 2022.
- 5. The perception within the marketplace of Waverley as an employer.
- 6. Whether collaboration has a positive, neutral or negative impact on retention/recruitment

This supplementary report to the Workforce Profile aims to answer the above questions.

Current employment market – external factors affecting recruitment and retention

The UK recruitment and retention market has been unsettled in recent years due to the pandemic. The ONS report: 'Employment in the UK: July 2022' highlighted the following trends in the UK's employment market:

- the employment rate, which refers to the percentage of the labour force that is currently employed, is now increasing in both the public and private sector but is still lower than pre-pandemic levels.
- the number of part-time employees has increased over the last 3 months.
- the rise in the employment rate in the public sector is largely due to the ongoing response from the NHS and Civil Service to the pandemic.
- there has been a rise in employment in local government.
- low employment rates are however still impacting younger age brackets, particularly those who are attempting to enter the professional market place for the first time (for example immediately following university).
- job advertisements and selection events are not always show casing the full benefits of a post, or highlighting flexibility which might attract a younger cohort.
- redundancy rates in the UK are decreasing and are at record low levels below prepandemic levels.

The pandemic has been a major factor contributing to the low employment rates in the UK. Lockdowns slowed people's lives down, giving them time to reassess their careers and job satisfaction levels. People realised the importance of a good work/life balance and took the opportunity to reassess their career goals, making more time for family and friends. This has led to some people leaving work altogether or lowering their working hours see: <u>The Great</u> Resignation: How employers drove workers to quit - BBC Worklife

A recent survey among HR Managers identified what their current priorities are in 2022. The top 3 priorities are:

- Diveristy and Inclusion 70%
- Employee Retention 55%
- Career Management 53%

(Source: Summit Events)

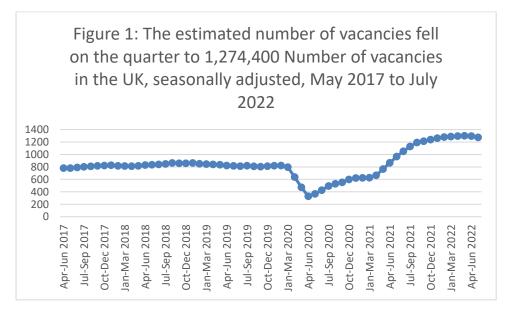
This shows the currect focus on career development, in terms of what learning and development is offered and its management, to improve employee retention.

However the cost of living crisis has begun to see this trend reverse and the expectation is that as the UK heads for a recession, unemployment begins to rise and retention improves as people prefer the security of their current employer.

In terms of the recruitment market, nationally employers are struggling to fill positions. The CIPD 'Labour Market Outlook' report, from Spring 2022 stated that 45% of employers have hard-to-fill vacancies.

However this trend has begun to reverse. The ONS report from August 2022: <u>Vacancies and</u> jobs in the UK - Office for National Statistics (ons.gov.uk) shows that the number of vacancies are beginning to fall (although still 60.2% above the pre-pandemic level January – March 2020). The overall trend can be seen here which shows vacancy rates over the last 5 years:

Source: ONS.Gov.uk



Even though the employment rate is still lower than pre-pandemic, it is rising which means that there are fewer people in the recruitment pool competing for an increased number of vacancies.

In recent years flexibility in terms of location and hours has become increasingly important in terms of attracting to a role. There are trends within the employment market of people transferring to part-time work, leaving more inflexible roles or rejecting roles due their lack of

flexibility. Most UK employers have become open to offering flexibility of hours and location, responding to this trend.

We also know that people prefer to work for organisations that are demonstrably committed to equality, diversity and inclusion. The Council have published their EDI objectives and they are uploaded to our website after Council meetings. We are also improving our communication of our commitment to being a Disability Confident Employer and our commitment to the Armed Forces Covenant (see 'actions taken to date').

It is important to recognise that those who are less experienced within the job market (particularly those just starting out in their careers) do prefer working in the office from a networking, social and learning perspective. It could be concluded that there are two clear trends emerging – those who are more experienced and need less social and learning interaction prefering home working, and those who are less experienced and need more social and learning interaction preferring office working. If we are to maximise the career development of newer workers, a balance that meets the needs of both must be reached.

Waverley's experience of the current job market

Waverley is actively trying to recruit a number of roles. This is partly due to turnover we have seen at specialist and middle manager level. We have made a number of changes to the way we communicate for attraction and these are seeing positive results particularly for administrative, customer care and entry level roles. However roles that require Local Government specialist knowledge are proving particularly hard to recruit. Between July and August 2022 we have seen the following jobs attract few if any applications/successful applicants:

- Waste Manager
- Strategic Assests Manager
- Health and Safety Officer

This lack of applications for specialisms will impact on Council performance and result in increased costs in relation to the need to rely on interim and agency staff.

An examination of exit interview data

Exit interview data - manager's interviews

Since the beginning of this calendar year, all departing managers have been interviewed to ascertain their reasons for leaving in more detail.

- 3 expressed a break down of relationship with their line manager
- 2 left for promotion and to focus on their key professional interest
- 1 was not confident in their new leadership team
- 1 left for career development
- 1 expressed concern about high levels of demand in their department
- 1 left to be nearer home in location due to their caring responsibilities

Relationships with line managers are really key as is the ability to have career development and opportunities. One manager commented that the experience of the pandemic had developed managers in a way never before anticipated or experienced and had allowed relatively junior officers to take greater accountability and experience in complex project management and leadership. This had enabled them to showcase those skills in interviews and obtain promotions that they may not have otherwise anticipated.

An important theme throughout the exit interview responses is the repeated evidence that people leave Waverley to improve access to professional development opportunities. 44% of staff members who completed the exit interview were with Waverley for between 2-5 years. 62.5% of them resigned due to finding a new job and 'lack of career opportunity' being the second most common reason for resigning. Borough Councils (and any SME) do experience turnover as people grow in their careers and seek promotions at larger organisations. However it is worth consideration that through working closer with Guildford, it may be possible to improve opportunities at working across Councils. Improving the quality of conversations that line managers have with officers to make sure they understand and take advantage of our learning and development offer is identified as one of the key recommendations to improve retention.

Exit interview data – survey

Since January 2022, the HR team have improved the exit interview survey data by refreshing the questions asked. This shows the following:

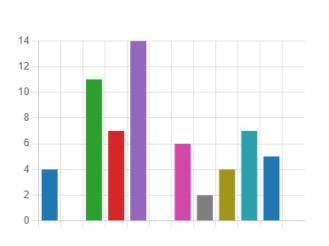
- Most people leave Waverley in the first 5 years of employment. The peak is 2-5 years.
- Most leavers are aged between 20 and 30 years old.
- Most people resign because they have a new role.
- 92% of people had 1:1s with their line managers and over 90% found those conversations helpful
- 90% had the right training to do their job effectively
- Everyone who answered the survey commented on the positive team relationships at Waverley.

We ask people what prompted them to start to look for a role. Their responses are below:

11. What are the factors which influenced your decision to either start looking for employment elsewhere, or making plans to leave Waverley? (Please select up to 3 reasons)

More Details





The data above reinforces a need for an improvement in our learning and development offer to staff, to improve retention and to actively promote vacancies internally. Offering more mentoring, job shadowing, short term placements and internal secondments will also support this. By doing this the number of staff who are influenced to start looking for employment elsewhere because of 'Pay' may start to fall as officers take advantage of internal promotions. This will result in staff feeling more financially satisfied, so won't need to look for employment elsewhere for financial security.

In conclusion, from exit interview data from all staff and specifically managers, it is clear that there is a need for an improvement in the active promotion of learning and development opportunities for staff, to improve retention within the organisation.

An examination of recruitment data

There has been evidence, from our recruitment tracker, which indicates our job advertisements and other attraction techniques are not attracting people with the correct skill sets to complete an application for the role. There could be a number of reasons for this including:

- Pay rates being uncompetitive
- Benefits not being sufficiently attractive
- Job profiles being unclear or requiring knowledge and skills that are rare or too technical/specialist

• The recruitment process being too slow

We have seen that for some job roles there have been several attempts to recruit. Some roles are now being filled by agency workers, which is less cost effective for the organisation.

To counteract this, we have taken a number of actions to make sure that applications are easier to access, apply for and are demonstrating everything that Waverley can offer, in the short and long term (for career development). (Please refer to 'actions taken to date' section).

When people resign

At the point of resignation, officers have made the decision to leave to go to another employer, usually with an employment offer that they have accepted. Persuading an officer to stay at this point can hold a degree of employment risk and is usually regarded as poor HR practice as the psychological contract between employer and employee has been broken. However, due to the need to improve retention, we have taken steps recently to speak to people who have resigned to offer them improvements to see if we can retain them. The offers made have included:

- Secondments in our partner Council, Guildford, to expand their knowledge, skills and employability
- Increases in pay by offering an extra increment
- Support for their family and personal life
- Greater flexibility in hours
- Extending a period of notice whilst we recruit a successor

Only the extension of the period of notice has been successful for two staff who were leaving Waverley's employment without another role to go to.

A better approach is to try to resolve issues and improve workplace engagement before the point of resignation. For this reason, managers have been encouraged to really consider engagement opportunities and in particular:

- 1. Improve performance management conversations making them far more person focused and considering career development and wellbeing.
- 2. Improve flexible and agile working offerings and making them focused on business need as opposed to a 'one size fits all' approach.
- 3. Improve team cohesion by encouraging more face-to-face interaction.
- 4. Improve our benefits offering through review and refresh as needed.
- 5. Improving conversations between line managers and officers about career development, particularly for those between 1-5 years' service.

We are aware that our engagement levels are comparatively high as evidenced in our engagement survey, however we are also aware that due to market forces, our financial reward for some jobs at some levels is being severely challenged in the market. This is evidenced in our exit interview data. We are also aware that people leave for career development reasons, again evidenced by our exit interview data. Please refer to our recommendations below in relation to these.

Perception in the marketplace of Waverley as an employer

Waverley is perceived as a good employer; supported by both internal and external data, however there are signs that this view could be deteriorating.

Internal perception

Waverley's 2021 Staff Engagement Survey showed that:

Statement	Employees who agreed with statement (%)	2019 Staff Engagement Survey (%)
'Waverley is a good employer'	89	96
'Waverley has a good reputation as an employer'	85	94
'Waverley has a good reputation locally'	70	80
'Waverley is an equal opportunities employer'	95	96

- 'Friendly' and 'supportive' were the most repeated words throughout the Survey.
- 8% of Managers feel as though their views are not listened to exit interview analysis supports this as part of the reason why managers are leaving Waverley.
- Retaining Female senior staff Survey shows that outdated views and paternalistic treatment can be felt in more senior roles, some perceived sexist views or treatment.

External perception

On Glassdoor, a job board where current and former employees anonymously review companies, Waverley was reviewed as follows:

- 71% of employees who wrote a review said they would recommend Waverley as an employer to a friend.
- This shows that employees still have a positive perception of Waverley as an employer even on external sites, where it might be expected that reviews are more candid than on internal surveys.

On Indeed, another employment website that includes employee reviews:

- An average of 4.1 out of 5 stars was given by employees to Waverley for their worklife balance.
- Recurring words used in reviews on this site are "very helpful and friendly", "like a family", showing employees believe Waverley is a good employer.

Comparing Waverley as an employer with other Councils in Surrey

- Even though a high percentage of staff would recommend Waverley to a friend, they rank lower on this measure in comparison to other Councils in Surrey.
- The following table shows the % of employees who would recommend their Council to a friend as an employer on Glassdoor:

Council in Surrey	Employees who would recommend employer to a friend (%)	No. reviews
Waverley Borough	71%	16
Council		
Guildford Borough Council	88%	13
Surrey Heath Borough	100%	4
Council		
Woking Borough Council	86%	11
Surrey County Council	71%	219

In conclusion even though currently, Waverley is viewed a good employer from internal and external data, this perception is deteriorating, as shown in the differences between the 2019 and 2021 Staff Engagement Surveys. Also comparatively, from the sample reviewed, other Councils in Surrey are viewed as better employers by their staff than Waverley is.

We are already taking actions to improve the perception of Waverley as an employer (see 'actions taken to date - retention'). By improving our performance agreement process and providing regular 1:1s, staff are given opportunities to highlight issues which can then be actioned. This is especially important with the changes brought by the Waverley Guildford collaboration. These actions will improve the perception of Waverley as a good employer, as we will be providing certainty and support to employees.

The impact of collaboration and change on recruitment and retention

In 2021 Staff Engagement Survey:

- Some of the largest words (meaning that they were most repeated) in response to the statement, 'When you think about the future relationship with Guildford Borough Council, what three words come to mind?' were: uncertainty, redundancies, change and challenging.
- This shows that there could be a challenge with retention throughout the collaboration process.
- Although another highly repeated word was opportunity.

7/26 (27%) people who have completed exit surveys specifically gave 'changes within the Council' as a reason for leaving.

This does indicate that the collaboration is having a negative impact on retention.

Actions taken to date

We have made several changes to our recruitment and retention process as a result of our strategy. These have included:

Recruitment

- Simplifying our applications forms and our recruitment process
- Re-vamping our advertisements and advertising platforms to make them more attractive and accessible

- Improving our attraction communications (for example we are developing an applicant pack and a pre-employment pack).
- Outlining our benefits to potential applicants in our 'Thinking of working at Waverley?' pack which particularly emphasises our learning and development benefits and continued professional development
- Putting line managers at the heart of people recruitment so that relationships are built early on in employment.
- Asking members of staff to network our job opportunities to encourage officers to act as our own recruiters
- Looking across to Guildford to begin to think about how we can share opportunities
- Emphasising that we are a disability confident employer
- Emphasising that we are committed to the Armed Forces Covenant
- Updating our benefits and welcome letter to be more informative and attractive.

The above actions have seen the number of applications improve and a reduction in hard to fill posts, although technically specialist posts are still very hard to attract to.

Retention

- Improving our performance agreement process and in particular the quality of manager conversations
- Improving our manager capability through more accessible training
- Improving the accessibility of all our benefits including specific hubs on wellbeing, learning and development and benefits.
- Improving retention of managers holding exit interviews with departing managers to understand the reasons for leaving in a more detailed way so that we can tailor our approach.
- Improving our Performance Management meetings focused discussion on learning and development individual might need for their job role and for job progression (from staff engagement survey 2021).

A trend we have seen develop at Waverley includes front line workers having a greater need to work in the office and their managers working more from home. Managers must expect to provide visible and supportive leadership to their staff, particularly those in front line roles who might expect to see difficult conversations increase as the cost of living impacts lives.

Recommendations section

The workforce profile made several recommendations which we are acting upon. All of these will support recruitment and retention. In addition to the above, we would add supplementary recommendations including:

- 1. Ongoing support and reassurance to managers during collaboration
- 2. The development of peer support networks across Waverley particularly for those who are newer in service
- 3. Improved conversations between line managers and officers about career development with more uptake of secondments, job shadowing, mentoring and internal vacancy promotion.

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Conclusion

This report has been prepared to inform Council members and officers. Questions, observations, and feedback are welcomed.