



HM TREASURY

## STAFF SURVEY 2005 SUMMARY OF KEY FINDINGS

### Introduction

The fourth annual Staff Survey in the Treasury was conducted in December 2005, once again with the help of the external survey specialists ISR. A total of 898 staff completed the survey, giving an excellent response rate of 82% - the highest response rate yet.

Following the 2004 survey, the Treasury selected six priority areas for action: Department Direction & Leadership, Information, Culture, Performance Management, Reward, and Career Development, and there has been ongoing work to address and improve on these areas.

This summary provides an overview of staff views on how the Treasury has changed in the last year and how well the Department is managing its business and its people.

### ISR summarises:

#### Overview vs. 2004

At a thematic level, staff views have become significantly more positive on only one area, Performance Management, while remaining relatively stable vs. 2004 on all other themes.

Looking in more detail at shifts in opinions on individual questions, there are some encouraging **improvements** on:

- Overall effectiveness of Treasury management (+ 8 percentage points on positive or favourable response vs. 2004)
- The way the Treasury keeps staff informed about matters affecting them (+6)
- Clarity and fairness of how job performance is appraised (+8 and +6 respectively)
- Regularity and minimal bureaucracy of the performance appraisal process (+6 and +10 respectively)
- Understanding of how to improve job performance, and whether good performance is adequately recognised and rewarded (+7 and +6 respectively)
- Perceived competitiveness of non-pay benefits (+6)

Only a few individual questions have shown a small but statistically significant **decline** in favourable response vs. 2004:

- Having a clear understanding of Treasury aims and objectives (-5 percentage points on favourable response vs. 2004) – although this still scores very positively in absolute terms (82%)
- Having a clear understanding of, and support for, the Treasury's values (-5)
- Perceptions of how the department deals with, and responds to, its external stakeholders (-5)
- Incorporation (-9) and usefulness (-5) of diversity in performance objectives
- Treasury effectiveness at retaining its most talented people (-5)

#### Overview vs. External Benchmarks (Norms)

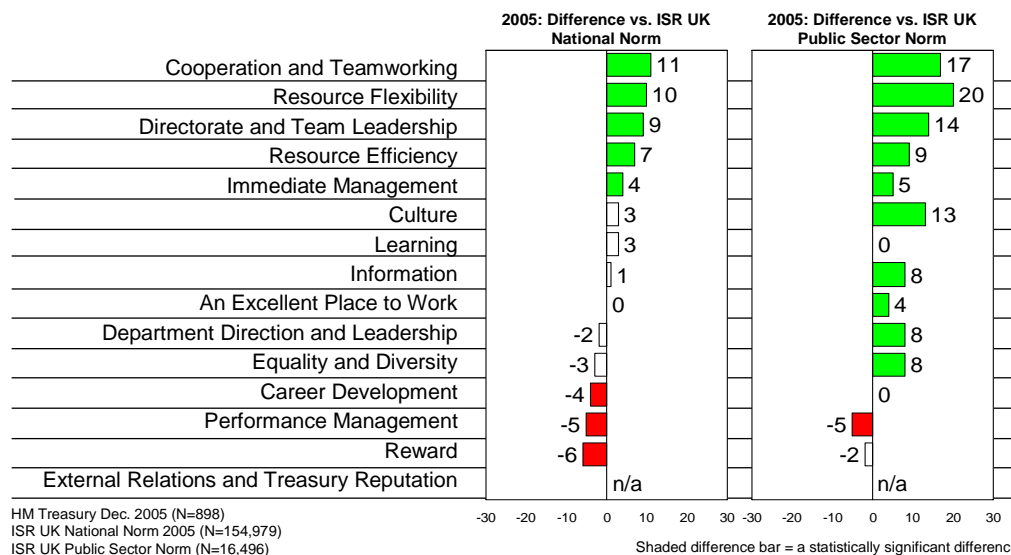
As in previous years, ISR has compared survey results with its external benchmarks or Norms of employee opinions in the UK nationally (including both public and private sector organisations), as well as against two sub-norms – the UK Public Sector Norm and the UK High Performance Norm comprising organisations that excel in both business performance and people management.

Treasury staff views are significantly more positive than is typically found in the (wider) public sector on most topic areas covered in the survey, are about average with this norm on aspects of people management (Learning, Career Development, Reward), but below the Norm on Performance Management.

Staff views are typical for, or more positive than, the UK National Norm on 11 out of 14 themes where comparative data are available, but score less positively on perceptions of Performance Management (despite improvements vs. 2004), Career Development and Reward:



### Comparisons vs. ISR UK National and Public Sector Norms



Against the UK High Performance Norm, staff views are at least as positive on a number of key topics:

- Clarity of Treasury aims and objectives, and how teams contribute to their achievement
- Having an internal climate of openness and challenge
- Line manager communications and openness to ideas for change
- Team efficiency, and having sufficient staff and information to work effectively
- Cooperation between teams across directorates
- Treasury attention to learning, development and growth opportunities for staff

However, in most other areas covered by the survey, staff views are significantly less positive than the UK High Performance Norm, indicating that there are still areas for the Treasury to improve on.

## Leadership and Information

As mentioned above, it is encouraging to see that staff are significantly more positive than in 2004 on how well the Treasury overall is being managed (63% compared with 55%), and this score is now well above the UK National Norm (56%). Staff are similarly positive about how well their Directorate is managed (4 percentage points above Norm), although this view does vary somewhat by Directorate.

Immediate management of staff is rated as highly favourable, with the following being particularly positive vs. Norms:

- 81% say their team leader supports the development of the team's abilities
- 82% say their line manager communicates effectively
- 88% say their line manager is open to ideas and suggestions for change
- 76% say they receive adequate support from their line managers

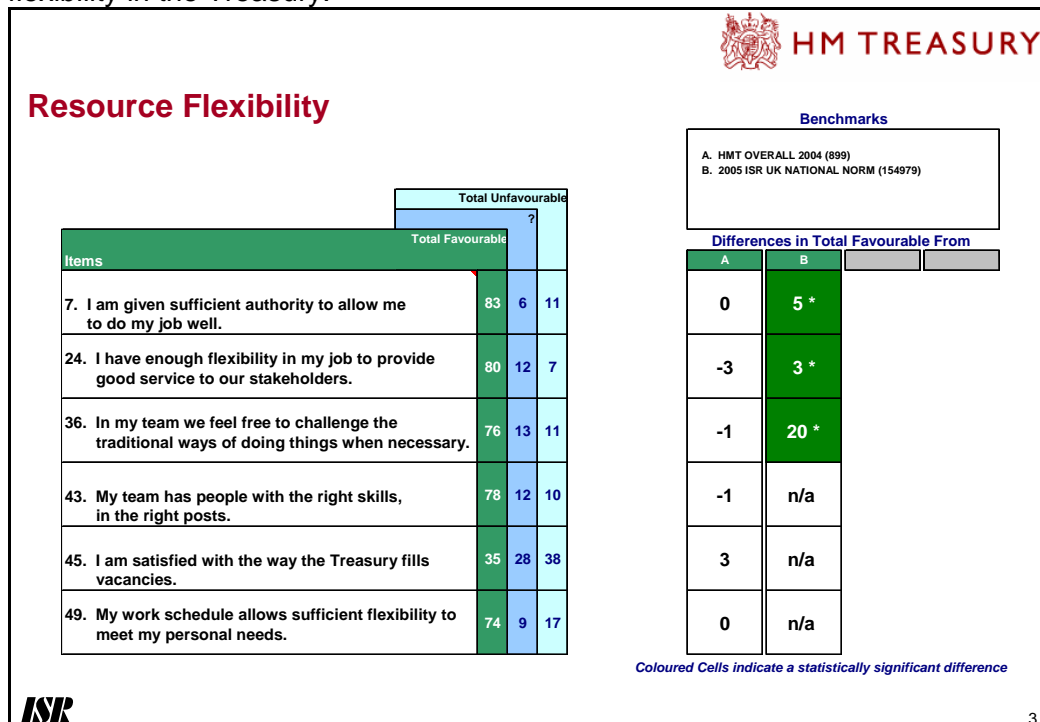
However, 28% are unhappy with the way their immediate manager gives informal feedback on performance outside of the appraisal process.

Staff also see room for improvement in leadership performance from the Treasury Board. Despite a change in the structure of the Board in the past year, views on its effectiveness have remained unchanged since 2004, and staff would like to see a clearer sense of direction and more communications from the Board.

Generally speaking, staff are positive about how well the Treasury keeps them informed about matters affecting them – an improved score vs. 2004 and above National Norm. 86% say that the information they need to do their jobs is readily available, 71% feel well informed about what is happening in their directorate, and 63% believe that the exchange of information and knowledge between teams and directorates in the Treasury is encouraged. However, only half say they feel well informed about the Treasury's performance against its objectives.

## Resource Efficiency, Flexibility and Cooperation

As last year, staff remain positive about many aspects of work efficiency and flexibility in the Treasury:



People have a strong sense of being able to challenge 'traditional' ways of working, and believe that their team operates efficiently (82% favourable, +9 vs. National Norm) and with sufficient staff to handle the workload (61%, +11 vs. Norm). Around 8 in 10 also think there is good cooperation between teams within and across directorates:

Many staff (59%) view the Treasury as a family friendly employer, but only a third believe that senior management is doing a good job in addressing long hours working. Staff were asked to indicate in the survey the average number of extra hours per week they work: 9% say they work no extra hours, 36% say they work up to 4 extra hours, 32% over 4 and up to 8 extra hours, 12% between 8 and 10 extra hours, and 11% over 10 hours.

Although most staff believe that their team has people with the right skills in the right posts, only about 3 in 10 think that the Treasury is doing a good job of moving people and financial resources to where they are most needed in the Department (between 4 and 5 in 10 are unable to give a view on this).

Satisfaction with the way the Treasury fills vacancies remains an issue, particularly for people in ranges C and E.

### **Treasury Culture**

It is encouraging that staff continue to perceive the Department as having a culture where people can openly express their opinions (69%, significantly above both National and High Performance Norms), and feel treated with respect, regardless of their job position (68%). But only 54% feel that their personal contribution is recognised in the Treasury, with 28% disagreeing.

As yet, there has been little change in the opinions of staff on this topic, but culture does not change overnight, and it may take a longer time before the benefits of culture change activities and behaviours are truly felt.

### **Performance Management and Reward**

Performance Management, a priority action area during 2005, has shown a significant improvement in staff perceptions over the past year. In particular:

- 72% say they have clear and measurable [SMART] objectives
- 77% say they understand what needs to be done to improve their own performance (+7 percentage points vs. 2004)
- 69% experience regular and timely performance appraisals (+6 percentage points vs. 2004)
- 71% say performance appraisals are conducted with a minimum of bureaucracy and time wasting (+10 percentage points vs. 2004)

40% say that good performance is recognised and rewarded in the Treasury (+6 vs. 2004), but just as many disagree. People are also not convinced that poor performance is dealt with effectively (43% unfavourable). So, although staff are much clearer about how their performance is appraised and are more likely than a year ago to think it is appraised fairly, over half do not feel that performance appraisals deliver fair and transparent outcomes for everyone.

## Performance Management

Strong improvements vs. 2004, but more to do on clarity and fairness

Items	Total Unfavourable			Total Favourable	
	7	14	15	72	14
11. I have clear and measurable [SMART] objectives	72	14	15	72	14
26. I have a clear understanding of how my job performance is appraised	58	15	26	58	15
38. I think that my job performance is appraised fairly and objectively	46	25	29	46	25
46. I understand what I need to do to improve my performance	77	11	12	77	11
51a. Performance appraisals in my team are conducted regularly and on time	69	18	13	69	18
51b. Performance appraisals in my team are conducted with the minimum of bureaucracy	71	19	10	71	19

Benchmarks	
A. HMT OVERALL 2004	B. ISR UK NATIONAL NORM
Differences in Total Favourable From	
A	B
-1	n/a
8 *	-11 *
6 *	-19 *
7 *	3
6 *	3
10 *	n/a

**ISR** indicates 'Disagreeing' is the Favourable Response

Coloured Cells indicate a statistically significant difference

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Views on fairness of pay compared with others in similar positions in the Treasury are on a par with the National Norm, but staff are more critical about whether the Department is doing a good job of matching pay to performance. In the written comments in response to the question about how to improve the Treasury's performance, staff also talk about apparent salary inequities in comparison with other Departments.

### Career Development

In terms of opportunity for personal development and growth, 70% of staff respond positively, which is a slight improvement on last year's result, and 12 percentage points higher than the UK National Norm. Yet staff also point out several areas for further improvement regarding talent management, including:

- (Transparency in) promoting the most competent people to management positions
- Provision of sufficient advice and guidance on people's career direction
- Retaining the most talented people

### An Excellent Place to Work

The Treasury prides itself on being 'An Excellent Place to Work', and staff responses to the survey largely reflect this statement. In particular 80% of employees say that their work gives them a personal sense of accomplishment (+6 vs. National Norm), Further, 84% of staff say they are proud to be a part of the Treasury, and 73% would recommend the Treasury as a good place to work (+9 and +6 respectively vs. Norm).

Written comments in response to the question about what people value most about working at the Treasury stress the stimulating and collaborative working environment and a respectful and "un-bureaucratic" culture. Many staff also write about the high sense of personal fulfilment in their work.

Further statistical analysis reveals that the 'key drivers' of, or highest correlates with, whether people feel the Treasury is 'An Excellent Place to Work' are Culture,

Department Direction and Leadership, External Relations and Treasury Reputation, Resource Efficiency, and Information.

It is interesting to note that perceptions of the Treasury as an employer are influenced by the Department's interactions with its external stakeholders. Staff feel very confident in their ability to represent the Treasury to external stakeholders, but 28% think that more could be done to involve external stakeholders in policy development and decisions.

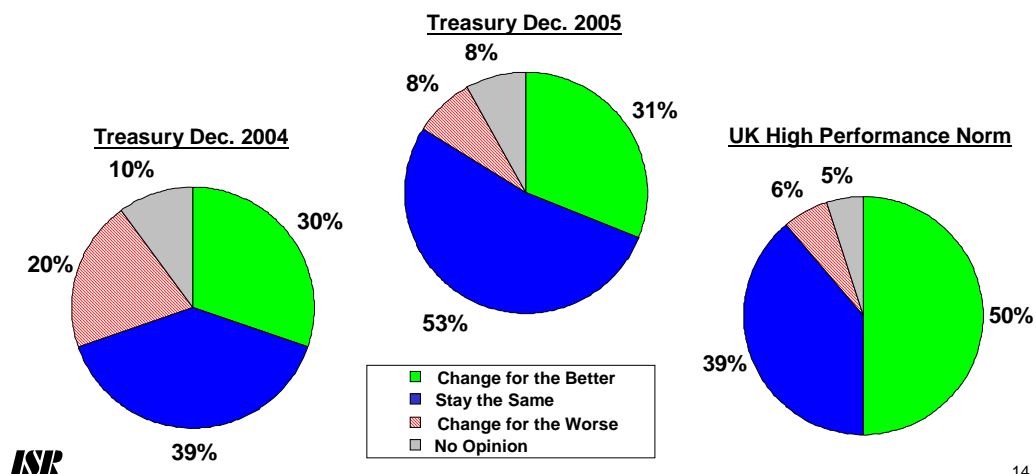
### Change in the Future

Compared with the 2004 survey, staff are now less pessimistic about the overall direction of change in the Treasury, but at the same time no more optimistic:



### Change in the future

*Looking ahead to the next year, and taking everything into consideration, I think the Treasury will:*



ISR  
February 2006