

Case Study - The Council as Employer of Choice

In 1998/99 more staff than normal were leaving and vacancies were being left unfilled because of a lack of high calibre candidates. The Council's position in respect of recruitment and retention was analysed and innovative new initiatives developed to promote the Council as 'Employer of Choice'. A key aspect of the Corporate Health theme is the Council's commitment to supporting and developing a positive working environment one that promotes the values and behaviours of staff to deliver a high performance culture and first class services.

Information showed that leavers for 1999/2000 was 18.68%, which was high compared to other similarly sized local authorities. At the same time 20% of all recruitment had to be carried out a second or third time to attract suitable candidates. Exit interviews were carried out from September 1999 to establish why people were leaving. They showed pay was an issue, elements of the benefits package were undesirable, (e.g. the performance related pay scheme had lost credibility) and some staff had a negative view of the culture. A review of the HAY job evaluation scheme was carried out, which showed that the scheme was not being utilised effectively, and many posts had been artificially upgraded to meet market forces.

Management agreed that a major review of the pay and employment package was necessary and that the work should be carried out by independent consultants.

The review, started in Summer 2001, examining existing salaries, performance related pay and grading structures and their relationship to the HAY scheme; terms and conditions of employment; turnover; exit interviews and recruitment data; external pay comparisons with both public and private sector and a review of the culture of the organisation. A major consultation was carried out using staff-based focus groups. Recommendations were put forward to Management and the Council focusing on pay scales which were found to be about 10% behind average market levels: the 'us and them' culture; communications and training and development.

A new pay structure was introduced from April 2002 based on market level salaries along with an innovative benefits package. (The package included free access to sports facilities, free parking, interest free season tickets loans, healthy living initiatives, including free medicals, 30 days annual leave, payment of professional fees and access to a discounted purchase scheme.) A separate exercise led to the development and implementation, in April 2003, of a Competency Framework and a revised performance appraisal process. A comprehensive staff training analysis was carried out in September 2003, and a new Corporate Training Programme is under developed.

A senior managers' working group was established to improve links between directors and staff, and drive initiatives such as reducing bureaucracy, empowering staff and developing a communications strategy.

All employees now have new contracts of employment, benefits packages and salary schemes. Staff turnover reduced by 20% last year and only 2 out of 75 recruitment exercises needed more than one campaign. Human Resources policies and procedures have now been reviewed and the proposed changes consulted upon and implemented. New good practice policies have been developed e.g. Dignity at Work and all policies are now available on the new corporate intranet.

Healthy living initiatives were introduced in April 2002, with free medicals, free flu jabs, awareness talks and stress management briefings available to all staff. An occupational health advisor was appointed and now manages the stress programme. As a result sickness absence reduced by 5% last year. A survey to measure the effectiveness of the healthy living initiatives and inform the focus of future initiatives was carried out in September 2003.

A new Staff Bulletin and staff briefings were implemented and other aspects are being considered as part of the Communications and Consultation Strategy.

Exit interviews now show:

- ✓ staff are more satisfied with levels of pay
- ✓ the benefits package is very popular, particularly the free sports facilities

A new corporate training programme based on the training needs analysis is scheduled to start in January 2004.