Auditor General of British Columbia

Building a Strong Public Service:

Reassessing the Quality
of the Work Environment
in British Columbia's
Public Service

February 2005

Canadian Cataloguing in Publication Data

British Columbia. Office of the Auditor General.

Building a strong public service : reassessing the quality of the work environment in British Columbia's public service

(Report ; 2004/2005: 10) ISBN 0-7726-5250-3

- 1. Administrative agencies British Columbia Evaluation. 2. British Columbia Officials and employees Attitudes. 3. Administrative agencies British Columbia Personnel management. 4. Government productivity British Columbia Evaluation.
 - 5. Employee attitude surveys British Columbia.
 - 6. Employee morale British Columbia. I. Title.
 - II. Series: British Columbia. Office of the Auditor General. Report; 2004/2005: 10.

JL432.B74 2004

352.6'09711

C2004-960157-1



LOCATION:

8 Bastion Square Victoria, British Columbia V8V 1X4

OFFICE HOURS:

Monday to Friday 8:30 a.m. – 4:30 p.m.

TELEPHONE:

250 387-6803

Toll free through Enquiry BC at: 1 800 663–7867 In Vancouver dial 660–2421

FAX: 250 387-1230

E-MAIL: bcauditor@bcauditor.com

WEBSITE:

This report and others are available at our Website, which also contains further information about the Office: http://bcauditor.com

REPRODUCING:

Information presented here is the intellectual property of the Auditor General of British Columbia and is copyright protected in right of the Crown. We invite readers to reproduce any material, asking only that they credit our Office with authorship when any information, results or recommendations are used.



The Honourable Claude Richmond Speaker of the Legislative Assembly Province of British Columbia Parliament Buildings Victoria, British Columbia V8V 1X4

Dear Sir:

I have the honour to transmit herewith to the Legislative Assembly of British Columbia my 2004/05 Report 10: Building a Strong Public Service: Reassessing the Quality of the Work Environment in British Columbia's Public Service.

Wayne Strelioff, FCA Auditor General

Victoria, British Columbia February 2005

copy: Mr. E. George MacMinn, Q.C. Clerk of the Legislative Assembly

Table of Contents

1
15
19
27
33
41
53
61
65
69
81

Acknowledgements

I wish to acknowledge and thank the many public service employees across government who again freely shared their views with us, and the government officials who provided us with the information and explanations we needed to complete our work. I would also like to acknowledge the dedication and professionalism of my staff in the production of this report.

Audit Team

Bill Gilhooly, Senior Principal Norma Glendinning, A/Director Mike McStravick, Project Leader Tracy Menzies, Survey Administrator Graham Paul, Research Analyst

Advisors

Errol Price, Deputy Auditor General, Office of the Auditor General Jane McCannell, former Senior Principal, Office of the Auditor General Faye Schmidt, Schmidt & Carbol Consulting Group, Inc.

Project Consultants

Hewitt Associates Statistics Canada



Wayne Strelioff, FCA Auditor General

In 2002, we examined the quality of the work environment in the British Columbia public service and concluded that the state of the work environment was putting the delivery of quality service and the achievement of government's objectives at risk. This conclusion was based primarily on the result of a government-wide employee survey we conducted starting in December 2000 of over 6,000 public service employees. In November 2003, we conducted the survey again to assess the current state of the work environment in the province's public service, to determine how the situation has changed and to compare the results to high-performing organizations.

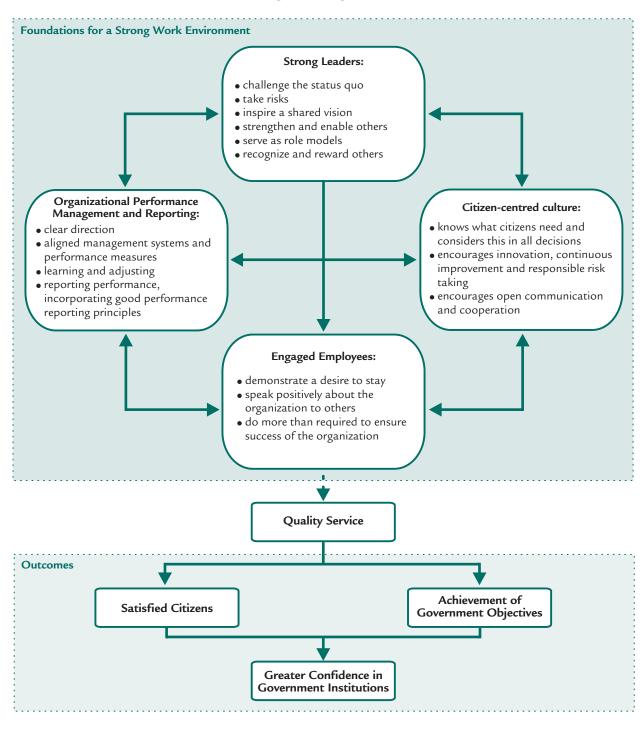
I decided to conduct this audit because I believe a healthy work environment is critical to a well-performing government. Government relies on the public service to deliver a wide range of services to its citizens. To hold government accountable, legislators and the public need to know whether or not the work environment provides the support employees need to deliver these services successfully.

Research in the private sector has shown that a healthy work environment leads to satisfied customers and greater profits—and in the public sector, that satisfied customers leads to greater citizen confidence in the institutions of government (Exhibit 1). Therefore, just as we did previously, we looked to see whether the British Columbia public service has four key elements that help to create a healthy work environment: strong executive leadership, an organizational culture that is citizen-centred, good organizational performance management and reporting practices, and employees who are engaged in their work. All of these elements are interrelated, but our research suggests that leadership has the strongest influence on the others.

The first element, strong executive leadership, sets the tone for organizations. Strong leaders establish a vision and inspire and enable employees to achieve it. Such leaders build trust and confidence with their employees by communicating frequently and honestly and by modeling and rewarding the behaviours they expect others to demonstrate. The findings and conclusions presented in this report relate only to public service executives (that is deputy ministers and assistant deputy ministers). We did not ask employees about their views of the leadership provided by their elected leaders.

Exhibit 1

The four elements essential for creating a strong work environment and satisfied citizens



Source: Office of the Auditor General

The second element, a citizen-centred organizational culture, encourages employees to keep the interests of citizens at the forefront of their thoughts. Such employees strive to satisfy the needs of their clients, and look for new and better ways to deliver services. They feel free to question policies and practices and communicate suggestions for improvement to their managers without fear of reprisal.

The third element is good organizational performance management and reporting. Organizations that practice good performance management and reporting make it clear—both internally and externally—what they're trying to achieve, how they plan to achieve it and how they will know if they are successful. They also ensure that employee efforts are directed to meeting organizational objectives, by aligning employee development and performance with those objectives and by holding employees accountable for their performance. Such organizations also measure progress along the way and make adjustments as necessary to achieve their objectives. And, to meet accountability expectations, they report their results to their stakeholders, as well as their capacity to achieve these results in the future.

The fourth element is highly engaged employees. Such employees are passionate about their organization and recommend it to potential clients and employees. They put in extra effort to ensure the success of their organization, and they have an intense desire to remain a member of that organization. Research has shown that when organizations have engaged employees the result is increased client satisfaction and loyalty, which ultimately leads to better organizational performance. As part of our analysis, we were able to identify four work environment areas that provide the best opportunities to improve employee engagement in British Columbia's public service.

The information used to prepare this report was gathered between November 2003 and October 2004. Our examination was carried out in accordance with assurance standards recommended by the Canadian Institute of Chartered Accountants and, accordingly, included such tests and other procedures as we considered necessary in the circumstances.

We concluded that quality service to British Columbians would be enhanced by a healthier work environment

Although our survey results this time around showed a slight improvement from the results of our 2001 survey, we concluded that the state of the public service work environment is still putting the delivery of quality service to British Columbians at risk. While all meaningful shifts in the results have been positive, there remains a large gap between the province's results and leading organizations.

We found that employees want to serve the public, but are struggling to do so in an environment full of dramatic changes but in need of stronger leadership and support. Over the last three years, almost all employees have witnessed—or experienced directly—workplace restructuring or reductions in staff and budgets. This was particularly the case in the two years leading up to the November 2003 initiation of our survey. We found that employees who had experienced reductions in staff in the last 12 months were also the least satisfied with all aspects of their work environment.

During times of tremendous change like this, employees need strong leaders who they trust to show them the way and support them in getting there. Instead, we found that British Columbia public service employees continue to lack trust and confidence in their executive leaders. The result, we believe, is an organizational culture that remains largely risk-averse—focused more on selfpreservation than innovation—and employees who are significantly less engaged in their work than employees in the high-performing organizations we used as our comparison group.

We also found that, although the government has established a sound framework for planning and monitoring the achievement of its human resource goals, it is still in the early stages of implementing this framework and has yet to report its progress to the Legislative Assembly and to the public.

Our key findings for each of the four elements we examined are summarized below.

Our findings and conclusions are based primarily on a work environment survey sent to almost 6,000 employees

The findings and conclusions presented in this report are based primarily on a government-wide survey we sent electronically to a sample of full- and part-time regular employees in all 19 government ministries between November and December 2003. We did not survey deputy ministers or employees in agencies, boards, commissions or Crown corporations. We sent our survey to a randomly selected, representative sample of almost 6,000 public service employees out of the close to 24,000 employees included within the scope of our survey. We achieved a 75% response rate.

We sought respondents' views on, and experiences with, their work environment. Only differences that are statistically significant are mentioned in this report. The survey findings for the public service as a whole are considered to be statistically accurate within 2%, 19 times out of 20. We present both our 2004 and 2001 survey results in this report. Differences of 2% or greater between the two surveys can be considered significant.

(See Appendix A for some of our research sources, Appendix B for more details on our survey methodology and Appendix C for our complete survey results.)

Statistics Canada and Hewitt Associates, an international human resources consulting firm, assisted us in developing the survey and analyzing the results. We also compared our survey results to the benchmarks provided by Hewitt Associates as part of its work with the Globe & Mail Report on Business Magazine to identify annually 50 top Canadian companies. Organizations—in both the private and public sectors—self-select to participate in this process with the aim of acquiring a competitive advantage in their recruiting. We have chosen to compare British Columbia's results to those of these organizations because we believe that these are the companies government has to compete against in attracting and retaining talented employees. As well, the results achieved by these companies represents a challenging but achievable long-term goal for the provincial government. We also attempted to compare British Columbia's results to other Canadian public service surveys, but we found it difficult to do so in a meaningful way because everyone uses different questions and scales. We did find, however, some similarities in the challenges each faced in creating healthy work environments.

Unless otherwise stated, all survey responses presented in this report represent the two most favourable options from a 6-point scale (e.g., those selecting "6" or "5," corresponding to "strongly" or "mostly" agree). We chose to report in this manner for two reasons: 1) because doing so allows us to compare the 2004 results to the 2001 results and to Hewitt's benchmarks; and 2) because we believe that only employees who selected the top two options can really be considered to be engaged in their work.

Our report is also based on a number of more qualitative sources, including interviews with executive leaders and other key managers, written comments on the survey and seven focus groups of public service employees we conducted in the spring of 2004. All of these sources helped us to explore the survey results in greater depth.

Few employees trust or have confidence in their executive leaders

Key Results from our Survey

Areas of concern

Only about one-third of public service employees:

- are mostly or completely satisfied with their ministry leadership;
- believe their executive leaders provide clear direction for the future;
- have confidence in the leadership abilities of their senior executives;
- believe their ministry leaders are making the changes necessary to be successful in the future; and
- believe their executive leaders are aware of and care about employees' concerns.

Strong leadership is critical to a high-performing public service. Employees are more likely to follow the direction of a leader in whom they trust and have confidence. They are more likely to provide high quality, client-focused service if they have clear direction and timely, specific feedback on their work. And they are certainly more likely to recommend their employer to their friends and put in extra effort for their clients if they feel energized and inspired by their leaders and the vision they have described for them.

Unfortunately, we found that most employees in British Columbia's public service still do not trust or have confidence in their executive leaders. This result again permeated all of our findings and stood out overwhelmingly as the area in most critical need of improvement. Until this is changed, the work environment in the public service will remain inadequate. Results have improved slightly since 2001 (which is somewhat surprising given the downsizing that was underway), but there is still a sizeable gap between the province's public service results and those of high-performing organizations.

Since our 2001 survey, the provincial government established a number of programs and initiatives to address its leadership issue. However, given that most of these programs were just getting started at the time of our survey—and that downsizing was still happening then—we did not expect to see considerable improvements in the leadership results between our 2004 survey and the previous one. We know that such improvements will take time. We encourage government to continue to provide these various programs and to monitor their effectiveness along the way, making changes as necessary to strengthen its executive leadership.

Employees are citizen-centred, but need more support to meet the service quality expectations of British Columbians

A citizen-centred culture encourages employees to put the needs of citizens first, to challenge the status quo, to seek ways to improve performance, and to communicate employee ideas openly to their managers.

Public service employees must balance the interests of their direct clients and other citizens

The British Columbia public service has both direct clients (recipients of a service) and indirect clients (all citizens of British Columbia). Public service employees need to balance the interests of these two groups. Sometimes the interests of the direct client may be sacrificed for the public interest, as in the case of a recipient of a tax audit. This makes providing quality service in the public sector more complex than in the private sector.

Throughout this report, we refer to the desired culture as being "citizen-centred" to reflect a focus on serving both direct and indirect clients.

We found that employees in British Columbia's public service want to provide high-quality service to citizens, but desire additional management support and more efficient systems. Almost 90% of the province's public service employees said that they enjoyed working for their clients and doing more than required to help them. However, only 38% have received training in client service, and even fewer—28%—believe employees are given recognition for providing high-quality client service. Many employees also believe the business processes in their workplace hinder their ability to serve their clients. While 52% of employees agreed that their workplace processes allow them to be as productive as possible, this does not compare favourably to the 70% of employees from our comparison group of excellent organizations.

We also found that, despite the government's emphasis on innovation, British Columbia's public service is still largely risk-averse. While the vast majority of employees are comfortable questioning a policy or practice with their co-workers or immediate supervisors, less than half believe they can do the same with senior managers (that is, managers at the director level or above) without being criticized or penalized. Lack of trust in senior managers likely explains why employees continue to feel uncomfortable challenging the status quo.

Measuring and reporting on the quality of the work environment has improved, but is still inadequate

We found that the provincial government has established a good framework for planning and measuring its performance, but one that is still in the early stages of implementation. A key part of this framework is human resource plans at the corporate and ministry levels. To be effective, such plans should clearly describe government's objectives, strategies and performance measures for managing its human capital and be linked to each other and to operational plans. We were encouraged to find that the government is on its second iteration of a corporate human resource plan and the ministries have all created their own such plans. However, many of these plans are still weak in providing performance measures and targets that can be used to measure the quality of the work environment. We also expected to see better linkages between the government strategic plan and the corporate human

resource plan. The only reference made in the government's strategic plan to the public service is the strategy "to promote and sustain a renewed professional public service."

We are equally concerned with the lack of public reporting on the overall quality of the work environment. The strength of the work environment is a key part of an organization's capacity to deliver on its objectives. As such, we expected to find both government-wide and ministry public reporting on the work environment. What we found, however, is inconsistent reporting across the ministries and no public reporting on the governmentwide strategies and performance measures identified in the corporate human resource plan.

Improving employee engagement is needed

We found that, compared to employees in our benchmark group of 50 top companies, British Columbia's public service employees are only moderately engaged in their work. That is, they are just as dedicated to serving their clients, but are not as proud of where they work or as committed to staying. While they are satisfied with their relationships with their co-workers and direct supervisors and believe their work is interesting and challenging, only 45% would recommend their organization, and only 25% believe their ministry's reputation helps them attract the best employees (compared to over 80% of the employees from our benchmark group).

We believe these findings should be of serious concern to the government. Given the aging population, the reputation of the public service as a high-quality employer will need to be improved if it is going to compete successfully for the dwindling pool of talented employees.

A good place to start is for the public service to enhance the quality of the work environment it provides its employees. From our analysis, we identified four areas that provide the best opportunities to improve employee engagement in the public service:

- 1. executive leadership
- 2. development opportunities
- 3. career advancement opportunities
- 4. individual recognition

Employees expressed a low level of satisfaction with current practices in all of these areas. Addressing each of them effectively should improve employee engagement and may ultimately result in a better quality of service for the citizens of British Columbia.

Differences between the ministries and employment groups

In general, we found greater variance of survey responses between ministries this time than in our previous survey. This is not surprising given the sweeping changes being experienced by some ministries and the timing of these changes. For the most part, employees in ministries undergoing the greatest changes in management philosophy, service delivery methods or budgets also reported the most negative responses. Employees in smaller ministries, or those experiencing less change, reported the most positive responses.

We also found significant differences between various employment groups. Managers were consistently more satisfied with their work environment than other occupational groups, and employees from enforcement and correction areas were consistently less satisfied. This pattern has not changed from our 2001 survey.

My recommendations for strengthening the work environment

I believe that prompt and sustained action is necessary to strengthen the work environment in the British Columbia public service. Failure to do so puts the capacity of government to achieve its goals and objectives at risk.

In 2002, we made four recommendations to help strengthen the work environment (see sidebar on page 12). In summary, we recommended that government develop a strategy to manage its human resources, that it carefully plan and manage the downsizing that was occurring, and that it measure, as well as publicly report on, the strength of the work environment and quality of service it provides. In conducting this audit, we were encouraged to see that all of these recommendations were being substantially or partially addressed. Nonetheless, we still found a large gap between the quality of the work environment in the British Columbia public service and the high-performing organizations we looked at. We believe that, over time, full implementation of our recommendations will have a more positive impact on the strength of the work environment. The recommendations in this report build on our previous recommendations and are meant to encourage government to continue its progress.

We recommend that the deputy ministers of government continue to implement our 2002 recommendations to strengthen the work environment.

We recommend that the deputy ministers of government take action in four areas that provide the best opportunity to improve employee engagement: executive leadership; learning and development opportunities; career advancement opportunities; and individual recognition. Specifically, we recommend that the government:

- create or re-examine its strategies for improving performance in the four areas;
- incorporate those strategies, along with specific performance indicators and targets, into key planning documents and all executive performance and development plans; and
- report annually to the Legislative Assembly on its progress in strengthening each of these four areas.

In 2002, we recommended that government measure government-wide performance in managing the work environment on a consistent, regular basis and report on it through the annual service reports to the Legislative Assembly. Surveying employees on their views of their work environment was a key part of implementing this recommendation. This time, we opted to redo the government-wide survey ourselves because the government had no immediate plans to do it. However, we believe that it is really the responsibility of senior management to monitor its own work environment. Our role should be to provide assurance on the resulting report.

We recommend that the deputy ministers of government survey public service employees annually on their views of the work environment and report the results to the Legislative Assembly and the public.

We were encouraged to read in government's response to our report that it has agreed to conduct such surveys on an annual basis, starting in the fall of 2005. My Office commits to exploring how best to provide assurance on these reports.

Recommendations from our 2002 report

Building a Strong Work Environment in British Columbia's Public Service: A Key to Delivering Quality Service

- 1. We recommended that the British Columbia government develop and implement a strategy for managing its human resources, to ensure the effective delivery of services into the future. This strategy was to come after government had established its goals and objectives and determined what core functions and processes were critical to achieving them. The strategy was to identify:
 - the shift in organizational culture required to meet these goals and objectives;
 - the competencies required to deliver these goals and objectives;
 - the leadership competencies required for future executive positions to be used as a basis for recruiting and developing current and potential leaders;
 - plans to manage the potential gaps and risks in retaining these competencies in government (e.g., maintaining corporate memory through early retirement and severance programs);
 - plans to address training and development of employees for the future;
 - plans to recruit people with the necessary competencies; and
 - a performance management framework that rewards behaviours critical to government's success and supports service improvement and accountability.

Employees across government were to be notified of this strategy once it was developed and to be kept informed of government's progress in implementing it. The ministries were to create similar plans for managing the human resources within their organizations that were linked to the government-wide strategy.

- 2. We recommended that the British Columbia government develop a comprehensive transition plan for implementing the significant changes that had arisen as a result of budget cutbacks and a refocus on core services. The way in which the downsizing was handled was expected to have a significant impact on the reputation of the public service as an employer, affecting not only its ability to recruit in the future, but also its ability to retain the valued employees who are left. This risk was to be managed strategically as part of the public service renewal initiative.
- 3. We recommended that the Public Service Employee Relations Commission measure government-wide performance in managing the work environment on a consistent, regular basis and report on it—as an important element of organizational capacity-through annual service reports to the Legislative Assembly. Ministries were to similarly monitor and report on their work environments. The work environment study we completed as part of this audit provided the public service with a comprehensive database on the work environment and a benchmark for future monitoring.
- 4. We recommended that the Public Service Employee Relations Commission and the ministries establish service standards, measure their performance against these standards and report their findings to the Legislative Assembly.

Note: As stated earlier, we were encouraged to see all of these recommendations were being substantially or partially addressed.







Detailed Report

Our survey was conducted during a time of significant change. In the last three years, almost every aspect of the provincial employees' work environment has changed. About 70% of employees have experienced staff or budget reductions or restructuring (Exhibit 2).

Less tangible but just as significant are the changes in work and organizational culture occurring at the same time. Today's public service employees are less likely to deliver service directly to the public and more likely to guide and monitor third-party deliverers. But it's not just the work that has changed—management philosophy has as well. In recent years, some ministries have switched from a culture of protectors or social workers to a culture of facilitators or managers. The Ministry of Children and Family Development, for example, has gone from a 2001 mission that spoke of its responsibility to protect children to one that now emphasizes building the capacity of families and communities to do the same. These kinds of changes can be difficult for employees and have a profound effect on employee pride and morale. Many employees in our focus groups said that they were confused or frustrated by the changes they were experiencing.

Exhibit 2

Changes in the public service: survey highlights (%)

Survey responses representing "yes"

Survey Question	2001	2004
In the last 12 months, I have experienced:		
 Reduction in number of employees in my workplace 	42	70
Organizational restructuring in my workplace	49	71
Budget reduction in my department	51	67
A change in my duties or responsibilities	47	60
Change in ministry executive	60	58
 Introduction of new computer technologies in my job 	62	54
Change in supervisor	38	51
Recently changed job	23	35

Source: Office of the Auditor General Work Environment Survey (2001 and 2004)

We also found that most employees do not believe they are being provided the support they need to manage these changes. Only about 40% agreed that there are enough opportunities for them to develop skills necessary for a changing workplace, and only one-third agreed that their ministry is developing a workforce that adapts well to change (as compared to 73% from our benchmark group). Many employees in our focus group mentioned that they were taking on new responsibilities without the necessary training to do their job well. Employees need support if they are to adapt successfully to the magnitude of changes currently underway.

The remainder of this section describes some of the changes that have occurred in the last three years and the effect these have had on the work environment. (See sidebar for a quick summary of some of these events.)

Downsizing and restructuring causes stress in the work environment

From 2001 to 2003, the government conducted a "core services review." All of its organizations were required to look critically at the programs and services they provided, to assess whether those program and services should continue to be delivered by government. The result was a restructuring of many of government's ministries.

At the same time, government was working towards having a balanced budget by 2004/05. Meeting that goal resulted in a number of ministries undergoing significant reductions in their budgets.

Key Dates of Events from 2001 to December 2004	
New government proclaimed Core services review	June 2001 2001 to 2003
 every ministry and Crown corporation reviews its programs to determine whether or not they should continue to be delivered by government and in the same way 	
Balanced budget government seeks to balance the provincial budget by fiscal year 2004/05	2004/05
Workforce adjustment about 7,600 employees leave the public service over three years	2001 to 2004
BC Public Service Agency and Leadership Centre created new model for managing human resources established	April 1, 2003

Both of these initiatives led to the creation of a "workforce adjustment strategy" designed to reduce the number of public service employees while better aligning the workforce with the new direction established by the core services review. Between 8,000 and 11,000 employees were expected to leave, voluntarily or involuntarily. A voluntary departure program and an early retirement program were created to aid in this goal. According to the BC Public Service Agency, the past three years have seen the size of the public service reduced by a total of about 7,600 FTEs, of which 85% were voluntary departures. The high percentage of voluntary departures does not mean that employees were necessarily happy to go. Rather, as a 2002 study conducted by BC Stats showed, the number one reason people chose to leave was that they believed they would be laid off anyhow.

Research has shown that downsizing generally reduces commitment and trust among the employees who remain,³ but that ensuring a fair process for managing these reductions can help minimize this impact. Unfortunately, we found that only 39% of the employees surveyed agreed that workforce adjustment had been administered fairly in their ministry. We also found that employees who had experienced reductions in staff in the last 12 months were also the least satisfied with all aspects of their work environment, and they were less likely to say they were proud to be employees in the provincial public service.

Delivering human resource services requires better clarity of roles and responsibilities

On April 1, 2003, the BC Public Service Agency was created to deliver human resource management services to public service ministries and organizations in British Columbia. The agency is accountable to its clients—the ministries—through a memorandum of understanding with the Deputy Ministers' Council and through

¹Unaudited number obtained from the BC Public Service Agency and BC Leadership Centre.

 $^{^2} BC$ Stats. The Voluntary Departure Program Employee Exit Survey. May 2002.

³Lowe, Graham S. and Grant Schellenberg. What's a Good Job? The Importance of Employment Relationships. Canadian Policy Research Networks. Study No. W/05, 2001. www.cprn.org; Aon Consulting. Canada@Work, 2001; Heathfield, Susan M. Survivors Can Soar After Downsizing. About, Inc. 2004; Ugboro, Isaiah and Kofi Obeng. "Managing the Aftermaths of Contracting in Public Transit Organizations: Employee Perception of Job Security, Organizational Commitment and Trust." Report to the U.S. Department of Transportation, August 2001.

individual service level agreements with each ministry and government organization. The agency is responsible for providing leadership and direction in all matters related to human resources and for providing the day-to-day transaction services to ministries and other government agencies.

The biggest change is that ministry human resource units are no longer responsible for day-to-day transactions. Rather, each ministry now has Ministry Strategic Human Resource (MSHR) units which are to operate at a strategic level within a ministry or group of ministries. The units are responsible for:

- developing strategic human resource management plans to meet ministry business needs;
- analyzing organizational development and productivity factors: and
- guiding ministry, employee-focused change management strategies that align with client business priorities.

Under this new model, individual public service managers have greater responsibility for certain human resource matters such as hiring. This has been a significant change for many managers and has been viewed, by some, as an unwelcome "downloading" of responsibilities.

In the summer of 2004, adaptation to this structure was still underway and there continued to be a need for greater clarity in roles and responsibilities between the BC Public Service Agency and the ministries. We found inconsistency in the way the new structure was being managed in the ministries and dissatisfaction among the agency's clients. We encourage the agency and the ministries to continue to work through these issues to ensure human resource services are operating as efficiently and effectively as possible.



A leader's role is to raise people's aspirations for what they can become and to release their energies so they will try to get there.

(Gergen, 1998)

The first of the four work environment elements we examined is executive leadership. Research has shown that high performing organizations have strong leaders who are able to inspire and engage their employees.⁴ Strong leadership is particularly important during times of change. We don't look to our leaders when everything is fine and running smoothly. Rather, it is when we need to make a significant change, when the status quo is no longer an option, that we reach out for someone who has the energy, passion and commitment to take us to an alternative future.

Executive leadership is about setting direction and influencing others, enabling and encouraging others to follow. Strong leaders can energize and inspire people to achieve beyond their own expectations. Such leaders effectively communicate a vision of where they want their organization to go and how it will get there. They are not afraid to act decisively even when faced with incomplete or ambiguous information.⁵ They respect their employees and treat them like partners, involving them in key decisions whenever possible. They communicate openly and frequently with their employees, and demonstrate organizational values and beliefs such as honesty, integrity, fortitude, humility and courage.

In this section we present our results only for executive leadership in the public service: deputy ministers, associate deputy ministers and assistant deputy ministers. Our survey also asked employees about their views of their direct supervisors, and respondents answered that they were relatively satisfied with the leadership provided by the supervisors. We did not ask employees about their views of their ministers.

We found that executive leadership is still one of the weakest areas in the work environment of British Columbia's public service employees. Indeed, some of the largest gaps between the provincial public service results and our benchmark group are found in the executive leadership section. Our survey findings also suggest that stronger executive leadership would improve overall employee engagement more than any other work environment area.

⁴Hewitt Associates. *Positive Perception of Leadership key ingredient to being a best Canadian Company*, says Hewitt Associates. 2003; International Survey Research. *Employee Commitment US: Leader or Follower?* 2002.

⁵Maitland, Roger. "Bad drivers." *People Management.* May 29, 2003; Hewitt Associates. "Best Employers in Canada 2004." Presentation to the Victoria Quality Council. February 10, 2004.

Employee trust and confidence in leaders is improving, but was damaged by downsizing and restructuring

Trustworthiness is arguably the most important characteristic of strong, executive leadership. Employees are likely to resist following the direction of a leader they do not trust. James Kouzes and Barry Posner, well-respected researchers of leadership, found honesty was the number one trait that people looked for and admired in a leader.6 To earn trust, leaders' actions must be consistent with their words. Leaders must be open and honest in communication, willing to admit their mistakes and committed to keeping their promises. Trust can take years to build but only an instant to lose.

And a work environment of distrust can be costly. Employees who do not trust their leaders will not be motivated to follow them. They will not feel free to be innovative or to challenge the status quo. Ultimately, they may look elsewhere for employment.

Building and maintaining trust is particularly challenging during times of downsizing and restructuring. How this is handled by management is critical to the employees who remain and can impact an organization's ability to attract talented employees in the future.

We found that despite some improvement in our latest survey results, very few employees trust and respect their executive leaders. The gap between the British Columbia public service results and our benchmark group is still undeniably large (Exhibit 3). Only about 33% of employees in the British Columbia public service believe their leaders are accessible or communicate openly and honestly versus about 70% of employees from our benchmark group. Even fewer (28%) believe that executives are aware of or care about employee concerns, and only about one in five trust executives to balance their needs with the needs of the ministry. Employees are also less likely to trust their leaders if they do not believe those leaders are competent. Only 36% of public service employees have confidence in the leadership abilities of their executives.

⁶Kouzes, James and Barry Posner. *The Leadership Challenge*. Jossey-Bass Publishers: San Francisco, 1995.

Exhibit 3

Relationships with executives: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
I trust executives to balance needs of employees with those of the ministry	17	21	70
Executives are aware of and care about employee concerns	22	28	_
Executives are open and honest in communication	25	33	72
Executives are accessible to employees	29	34	68
I have confidence in the leadership abilities of executives	27	36	-
I have enough opportunities to participate in decision-making	38	42	_
^a Average of 50 top Canadian companies in 2004.			

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2004)

Senior management now needs to rebuild trust with their staff. We believe they can do this by owning up to the mistakes of the past, by communicating frequently and honestly about the changes underway (including the reasons behind them), by ensuring their actions are consistent with their words, by involving their staff as much as possible in decision-making and by showing that they truly care. Rebuilding trust will be difficult and will likely take considerable time and effort, but doing so is critical to a healthy work environment and a well performing public service.

⁷Ugboro, Isaiah and Kofi Obeng. "Managing the Aftermaths of Contracting in Public Transit Organizations—Employee Perception of Job Security, Organizational Commitment and Trust." Report to the U.S. Department of Transportation, August 2001; Pfau, Bruce and Ira T. Kay. The Human Capital Edge: 21 People Management Practices Your Company Must Implement (or Avoid) to Maximize Shareholder Value. McGraw-Hill, 2002.

Government employees still need clearer direction from their leaders

Organizational clarity allows a company to delegate more effectively and empower its employees with a true sense of confidence.

(Lencioni, 2000)

Clarity of purpose or direction is one of the most commonly recognized traits of a strong leader. Employees look to their leaders to clearly articulate an inspiring vision of what the future should look like. This ability is particularly critical during times of change. A clearly articulated vision helps employees understand how their day-to-day work as well as their plans for development relate to the success of their organization. It allows them to act decisively without needing constant supervision or advice from their managers.8 Clear direction is perhaps more challenging to achieve in the public than in the private sector. Policy objectives in the public sector are often difficult to articulate. Profits and market share are not the overriding goals, but safe, healthy, productive and sustainable communities are more typical public policy goals. Nonetheless, we believe it is possible to articulate these objectives in a way that will inspire and motivate staff.

One way to communicate direction effectively is through clearly articulated and well-communicated vision, mission and goal statements. Since 2001, all ministries in British Columbia's public service have been required to report their goals, objectives and performance measures in their annual three-year service plan. However, despite every ministry stating their vision, mission and values in their service plan, we found that only about half of public service employees have a clear understanding of these (Exhibit 4). They have a much better understanding of their department's goals and how their work contributes to these goals (about 70%).

To some degree, it is natural for employees to be more aware of their department's goals than their ministry's direction. However, it doesn't have to be this way. Two ministries (the Ministry of Human Resources and the Ministry of Provincial Revenue) defied this trend with more than 70% of their employees saying that they have a clear understanding of their ministry's vision and mission. This level of awareness was not achieved by simply including these statements in planning documents. Rather, the Deputy Minister of the Ministry of Provincial Revenue, for example, met with most of his employees in small groups to talk to them about

⁸Lencioni, Patrick. The Four Obsessions of an Extraordinary Executive: A Leadership Fable. Jossey-Bass: San Francisco, 2000.

his ministry's mission and vision, as well as to discuss whatever else they wanted to talk about. This more intimate, face-to-face contact is an effective way to communicate direction. Several employees in our focus groups said that they had never seen members of their executive.

Clarity of purpose requires more than well-constructed mission, vision and value statements. It is achieved by frequently reminding staff why they are doing what they are doing, by rewarding and celebrating accomplishments along the way, and by ensuring that day-to-day decisions align with the proposed direction. Unfortunately, we found that only about one-third of public service employees believe their executives provide clear direction and are making the changes necessary to ensure future success (Exhibit 4). These results are an improvement from 2001, but disappointingly low compared to the 75% of employees from our comparison group who said that their executives provide clear direction for the future.

Establishing and communicating a vision takes time; making it happen takes even longer. However, executives in the province's public service rarely have this kind of time. Similar to our results in 2002, we found that, over the last three years, ministries have changed deputy ministers at least every two years, on average.

Exhibit 4

Clear direction: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
Confidence that the ministry is making the changes necessary to be successful in the future	22	29	_
Executives in my ministry provide clear direction for the future	22	30	75
Clear understanding of my ministry's			
■ Vision	42	51	_
■ Mission	49	55	_
■ Values	44	50	_

^aAverage of 50 top Canadian companies in 2004.

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2004)

This means that deputy ministers have rarely had sufficient time to develop an understanding of their ministry, to craft and convey a vision, to build the trust and confidence of their staff, or to begin mobilizing them to achieving the vision.

Government has taken action to deal with its leadership challenge, and needs to sustain these efforts

Since our 2002 report was released, the provincial government has taken a number of actions to try to improve the quality of leadership in British Columbia's public service. It created the Leadership Centre on April 1, 2003, to provide assistance to executives and senior managers in the area of recruitment, succession planning, performance management and executive development. A number of specific programs have also been established to strengthen leadership at all levels within the public service (e.g., leadership training and mentoring programs), but these programs are designed for managers below the executive level only.

To help strengthen the executive level, the BC Public Service Agency has begun to deal with the lack of succession planning we raised in previous reports. The agency piloted a corporate succession plan, with 75 individuals identified as ready or nearready for deputy minister or assistant deputy minister roles and provided them with executive coaching and career planning sessions. The agency is now in the process of expanding these efforts to other management levels.

Supporting all of these programs are a number of tools. Leadership competencies, for example, describe the behaviours leaders are expected to exhibit. These competencies, along with the core and technical ones, are expected to be used as a tool in hiring new staff, in designing courses, in assessing individual performance and in identifying the learning needs of staff. For the executive level specifically, a 360-degree leadership development feedback tool was established,¹⁰ and all deputy ministers, participated and received follow-up coaching.

⁹Office of the Auditor General of British Columbia. Building a Strong Work Environment in British Columbia's Public Service: A Key to Delivering Quality

¹⁰A "360-degree survey" is one in which individuals seek and attain feedback on their performance from their staff, supervisor and peers.

In addition to these tools, the government also developed a new performance management framework that is designed to hold executive managers accountable for their performance. These employee performance and development plans are tied to the deputy ministers' pay and include accountabilities for how they lead and manage their people. However, some of the agreements lack specific, outcome-oriented accountability measures for this purpose.

We believe all of these efforts are part of a good first step, and best practice research suggests they should positively influence the quality of leadership over time. Given that most of the programs and initiatives were just getting started at the time of our survey—and that workforce adjustments were still being made then—we did not expect to see significant improvements in this respect between our 2004 survey and the previous one. However, we encourage government to continue to provide these various programs and to monitor their effectiveness along the way.

Much still needs to be done. Most of the required tools and frameworks have been developed, but their use remains limited. The competencies need to be continually reviewed, updated and, more importantly, actually used in the hiring, developing and assessing of leadership performance. Succession planning needs to be continued and extended to other levels within the public service. And the executive employee performance and development plans need to be supported by better and more outcome-oriented performance measures, such as the level of employee engagement within their ministry or division.



The second key element of a healthy work environment is organizational culture. A citizen-centred culture encourages employees to focus on the needs of the citizen in every stage of service delivery, from design and development of services to monitoring and reporting performance. It is a culture that is also innovative, results oriented and open.

Our survey looked at three areas that are a key part of a citizen-centred culture:

- Client focus: Do employees focus on their clients' needs and do the management systems support them in this? Do employees have the training they need and the recognition they deserve for providing good service?
- Learning and continuous improvement: Is continuous improvement part of the culture? Do employees look for ways to improve the services they provide and do they feel comfortable questioning current practices and suggesting new ones? Are mistakes used as springboards for learning?
- Open communication: Is open communication a key part of the culture? Do managers communicate openly with their staff and do they encourage their staff to do the same? Does information flow freely between and among government departments and ministries to ensure seamless service for British Columbians?

Employees are client focused but need greater support and recognition

The vast majority of public service employees believe they are client focused. Almost three quarters of them believe employees focus on clients' needs, and almost 90% of them enjoy working for their clients and do more than they are required to do to help their clients (Exhibit 5).

However, employees do not believe they are adequately supported in serving their clients. Only 38% have received training in client service, and fewer still—28%—believe employees are recognized for providing high-quality client service. One of the most common concerns expressed by employees in our focus groups and in the written comments to the survey was their inability to provide a level of service that was as high as they believed it should be. Staff reductions, inadequate resources and inefficient work processes were mentioned as reasons for this

Exhibit 5

Client-focused culture: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
Employees in my workplace focus on clients' needs	75	72	_
I often do more than what's necessary to help our clients	_	87	_
I enjoy working for our clients ^b	_	86	_
In my workplace, employees receive recognition for high-quality client service ^c	27	28	_
In my current job, I have received training specifically on client service ^d	41	38	_
At work, I have the staff I need to do my job well	43	48	_
The workplace processes we have in place allow me to be as productive as possible	_	52	70

^aAverage of 50 top companies in 2004.

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2004)

concern. Only 48% of employees believe they have the staff they need to do their job well. As well, just over half agreed that their workplace processes allowed them to be as productive as possible—far lower than the 70% of employees from our benchmark group.

Adapting to change is still challenging for public service employees

Meeting the high expectations of citizens requires a publicservice culture that encourages learning and continuous improvement. A "learning organization" is one that is "skilled at creating, acquiring and transferring knowledge and at modifying its

^bWe changed the scale for this question, so the data from 2001 is not truly comparable.

^cThe difference between the 2001 and 2004 results is not statistically significant.

dResult represents percentage of employees responding "yes."

Exhibit 6

Continuously improving: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
The person I report to gives serious consideration to ideas and suggestions for improvements	58	68	-
I feel I can question a policy or practice without being criticized or penalized for doing so by: ^b			
Senior management	_	47	_
■ The person I report to	_	72	_
■ My co-workers	_	86	_
In my workplace, mistakes are used for learning as opposed to people being penalized	61	58	78
Employees in my workplace freely make suggestions to management for improvements or new services	55	56	_
Managers in my department encourage employees to bring forward suggestions for improvements for programs or services	51	57	-

^aAverage of 50 top companies in 2002. Hewitt Associates dropped this question from its 2004 survey.

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2004)

behaviour to reflect new knowledge and insights."¹¹ It strives for continuous improvement by encouraging employees to embrace change and question practices, and by rewarding them when they succeed and not penalizing them when they don't. A culture that values learning and continuous improvement also supports responsible risk-taking. Leaders of such a culture know that advancements do not occur without a few risks being taken. Rather than fear the consequences, they understand that mistakes often provide great learning opportunities that pave the way to future success.

^bWe changed the scale for these questions, so the data from 2001 is not truly comparable.

¹¹Conference Board of Canada. Training and Development Outlook: Canadian Organizations Continue to Under-Invest. 2003.

Despite the government's emphasis on innovation and change, we found that British Columbia's public service employees are still largely risk-averse, particularly when they deal with their senior managers (Exhibit 6). However, employees clearly trust their co-workers and direct supervisors. About 70% believe their supervisor won't penalize them for questioning policies or practices, but less than half said the same about their senior managers (that is, managers at the director level or above). As well, only 58% of public service employees believe mistakes are used for learning and not to penalize people, compared with 78% of employees from our benchmark group. Shifting the mindset of public service employees from "how do we protect ourselves and our minister" to "how can we do this better" is a key challenge.

The lack of trust employees had in managers was discussed earlier in our findings in leadership, and is a key barrier to creating a culture of continuous improvement. Employees will not feel free to take reasonable risks or be innovative if they believe their managers will penalize them for their failures. In an environment where the risks are clear but the benefits are not, we believe employees will keep their ideas to themselves and see change as a threat.

Communication is becoming more open, but is still a challenge

Open communication is key to earning the trust and confidence of employees and an important part of a results-oriented, public service culture. Most of government's broad economic and social goals require the dedication and cooperation of multiple government agencies as well as private sector individuals and organizations. Sharing of information between these parties is critical to ensure the efficient and effective achievement of these goals.

We found that, despite some improvements, the culture in British Columbia's public service still does not adequately encourage open communication. Only 50% of employees agreed that they hear about important changes from their supervisor rather than from the rumour mill and that employees communicate openly and honestly with management (Exhibit 7). As well, while 69% believe their supervisor is open and honest in communication, only 33% said the same about their executives.

The Public Service Culture Needs to Be More Citizen-Centred

Exhibit 7

Open communication: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
I usually hear about important changes from the person I report to rather than from the rumour ${\sf mill^a}$	_	50	-
Employees in my workplace communicate openly and honestly with management	44	53	_
The person I report to is open and honest in communication	_	69	79
I can easily get information I need to do my job well from: ^b	_		
■ The department where I work	_	73	_
Other departments within my ministry	_	50	_
Other ministries	_	36	_
I get enough information about our program/department results and performance to know how we are doing	43	43	82
The person I report to involves me in decisions that affect me ^b	_	63	78 ^c
There are enough opportunities for me to participate in decision-making	38	42	_

^aAverage of 50 top companies in 2004.

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2004)

The government of British Columbia, like most governments, is hierarchical and separated into a number of different ministries, agencies, divisions and branches. For the most part, each ministry operates independently, and often so do the various branches and departments that make up the ministries. This type of structure makes it difficult for information and ideas to be shared among different ministries—or even within each one. Therefore, perhaps it is not surprising (although still troubling) that half of public service employees say they are able to get the information they need from other departments, and only about one-third are able to get what they need from other ministries (Exhibit 7).

^bWe changed the scale for these questions, so the data from 2001 is not truly comparable.

^cThis benchmark is from Hewitt Associate's 2002 survey. Hewitt Associates dropped this question in its 2004 survey.

The Public Service Culture Needs to Be More Citizen-Centred

High-performing organizations also know that sharing their performance information with their employees helps build trust and motivate them by showing how their efforts impact results. Only 43% of employees in the British Columbia public service versus 82% of employees from our benchmark group—said they were able to get enough information to know how their program or department is doing.

A culture that is open shares information and invites input from its employees, clients and other stakeholders. We believe today's workforce is made up of highly educated and interested individuals who want to know how their organizations are doing and have a say in the decisions that affect them. Inviting, listening and responding to employee input helps create a culture of trust and pride. While more than 60% of provincial public service employees believe their manager involves them in decisions that affect them, only 42% believe there are enough opportunities for them to participate in decision-making. This latter result is likely due to the lack of opportunities available to staff to participate in higher level decisions.



As we've described throughout this report, the people who make up the public service—its human capital—are government's most important asset. Government is dependent on its people to help it realize its goals and objectives. Given the importance of its employees, we expect government to manage this valuable asset by following good organizational performance management and reporting practices.

At the highest level, good performance management requires organizations to be clear about what they are trying to achieve (their goals and objectives), how they plan to achieve it (their strategies), and how they will know how if they are succeeding (their performance measures). To be effective, this direction needs to cascade down through the organization to individual work units and teams, contractors, service delivery partners and, ultimately, to individual employees. This ideal, which the U.S. General Accounting Office calls a "clear line of sight," lallows unit and employee objectives to align to the organization's goals and objectives and helps individual employees better understand how their efforts contribute to their organization's performance. la

However, it is not enough for organizations to practise good performance management. They must also report their results, both internally and externally, so that they are accountable to their clients and stakeholders. Good performance reporting practices are still evolving, but we have made progress lately in defining these practices more clearly. In 2003, the government, legislators and the Auditor General agreed to a set of reporting principles to guide the content of performance reports (see the sidebar). One of the principles—relate results to risk and capacity—encourages government organizations to report on whether or not they have the capacity to maintain or improve on their performance in the future. The quality of the work environment is a key component of an organization's capacity. A weak work environment puts the future delivery of government's programs and services at risk.

BC's Reporting Principles

- 1 Explain the public purpose served
- 2 Link goals and results
- 3 Focus on the few, critical aspects of performance
- 4 Relate results to risk and capacity
- 5 Link resources, strategies and results
- 6 Provide comparative information
- 7 Present credible information, fairly interpreted
- 8 Disclose the basis for key reporting judgements

¹²U.S. Government Accountability Office. "Managing for Results: Building on the Momentum for Strategic Human Capital Reform." Statement of David M. Walker, Comptroller General of the United States on March 18, 2002. GAO-02-528T.

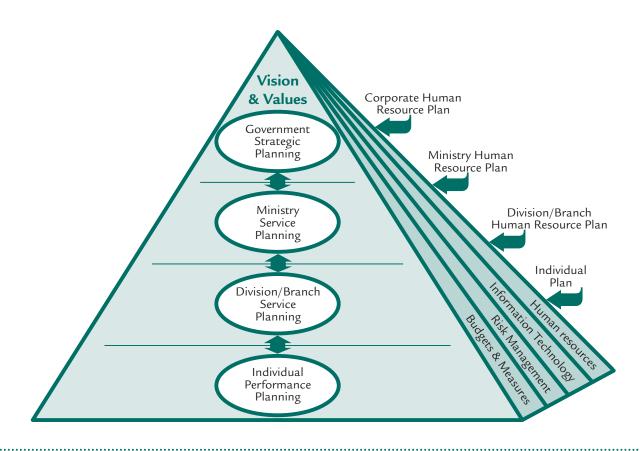
¹³U.S. Government Accountability Office. "Managing for Results: Using Strategic Human Capital Management to Drive Transformational Change." Statement of David M. Walker, Comptroller General of the United States on July 15, 2002. GAO-02-940T.

We looked to see whether the British Columbia government had established good performance management and reporting practices for managing its human capital.

The framework for planning and reporting is established, but still in the early stages of implementation

We found that the provincial government has established a good framework for planning and reporting its human resource practices (Exhibit 8). As required by the Budget Transparency and Accountability Act, the government produces an annual strategic

Exhibit 8 Planning and Reporting Framework Used by the British Columbia Government



Source: Government of British Columbia. Fostering Excellence in Public Service: A Corporate Human Resource Plan for the Public Service of British Columbia 2003/04-2005/6, 2004.

plan and each ministry publishes its own service plan that is expected to be linked to the government-wide plan. Each ministry division and branch should also have plans that link to the ministry service plan, and each individual employee is to have a plan that links to their branch or division plan in some tangible way.

Supporting these operational and individual plans are a number of specific functional plans, including human resource plans. To ensure alignment, there should be clear linkages between the corporate human resource plan and both the ministry human resource plans and the government strategic plan, and between the ministry human resource plans and their service plans. All of these linkages should help ensure a clear line of sight between individual activities and the organization's broader goals and objectives.

Human resource plans exist, but require performance targets and clearer linkages

We were encouraged to see that the provincial government is on its second iteration of a corporate human resource plan, and that the ministries have all created their own such plans. This is a significant improvement from what we saw in 2001/02. However, much work still needs to be done if these plans are to become working documents that actually support how people are led and managed in the public service.

The most recent corporate human resource plan was produced in April 2004. It clearly explains the linkages between the various plans of government and outlines the accountabilities for each of the strategies it describes. However, the plan also has three weaknesses that need to be addressed: 1) its linkages to the government-wide strategic plan are insufficient; 2) its performance measures are incomplete; and 3) it lacks specific performance targets.

First, the only mention of the public service in the government strategic plan is a strategy, "to promote and sustain a renewed professional public service." No performance measures are provided to measure government's progress in achieving this strategy. Second, the corporate human resource plan contains six high-level indicators and a promise to develop further indicators

over time (see sidebar). The indicators do not yet provide a complete picture of the quality of the work environment, although they do represent a good first step. More measures covering each of government's priorities, objectives and strategies are required and are expected over time. Third, no specific performance targets are provided. Without targets, it is impossible to know whether or not the performance being achieved is adequate.

Each ministry has also produced a human resource plan that links to the corporate human resource plan. The size and scope of these plans vary considerably from one ministry to the next. Some of the plans need to be updated and others seem incomplete. Many of the ministries we talked to said that they were in the process of revising their human resource plans. Since only 25% of the employees said that they had a clear understanding of their human resource plan, it is evident that the ministries have some work to do to ensure that their staff are aware of the direction they plan to take.

The clarity of the connections between these human resource plans and the ministry's service plans also varies. Only about 60% of the ministries included any measures related to the work environment in their service plans, and most of those that were mentioned were simple output measures relating to the number or percentage of employees who have completed employee performance and development plans. We did find that several

High-level indicators for monitoring the public service

- Engagement index from the Office of the Auditor General's Work Environment Survey based on employee perceptions of their contribution, their department as a place to work, and their desire to remain with the public service
- Annual number of hours of delivered training per employee
- Percentage of managers and supervisors who believe they have adequate knowledge and skills to fulfill their HR management responsibilities
- Percentage of employees who agree that employee performance and development plans help focus their work efforts
- Cost of employee absence due to illness as a percentage of payroll
- Voluntary turnover of regular staff, i.e., the number of voluntary departures during the year divided by the average employee population

Source: Government of British Columbia. Fostering Excellence in Public Service: A Corporate Human Resource Plan for the Public Service of British Columbia 2003/04 - 2005/6, 2004.

ministries have opted to conduct their own employee surveys, similar to the one we did for this report. Unfortunately, however, ministries have opted to use a range of survey instruments, with different questions and scales, making comparisons between like organizations difficult. While we agree that regular employee surveys are an important tool for monitoring the quality of the work environment, we believe that it would be more efficient to use one common survey tool—one that can be modified slightly to accommodate the needs of each ministry. We encourage the ministries and the BC Public Service Agency to come to an agreement on one survey instrument that will serve the majority of the needs of all ministries.

Public reporting on how well human capital is being managed is lacking

Another area of concern is reporting. Reporting on the indicators in the corporate human resource plan is strictly an internal exercise. Currently, the BC Public Service Agency reports its progress on an annual basis to the Deputy Ministers' Council. While this allows for monitoring progress and making adjustments, it does not allow for transparency and accountability to the whole public service and the public. Like the government strategic plan, progress on achieving the goals and objectives of the corporate human resource plan should be reported publicly.

Reporting on ministry human resource plans is also in its early stages. In most ministries we looked at, external reporting is limited to a few performance measures included in their service plans, but, as noted earlier, meaningful human resource measures are rare in these service plans. Given that organizational capacity is one of the province's eight performance reporting principles, and that the work environment is an important part of capacity, we expect ministries to measure and report on the strength of their work environment.

Improvements in performance management would improve clarity for employees

High-performing organizations often have quality performance management systems that help employees understand what they need to achieve and how well they have to do so.¹⁴ Employees want clear direction, but, as discussed in our findings on leadership, most provincial government employees do not believe their executive leaders provide clear direction. Employees are more satisfied with the direction provided to them by their immediate supervisor, but even here there is still room for improvement. Fiftyseven percent agree that their supervisor sets clear expectations and goals with them, compared with 74% in our benchmark group (Exhibit 9). As well, many participants in our focus groups said they saw no connection between the service plan and the work they do. Clearly, more needs to be done to explain the connections to employees so that they understand the purpose of their work.

Exhibit 9

Performance management: survey highlights (%)

Survey responses representing

"stron

Survey Question ^a	2001	2004	Benchmark ^b
The person I report to sets clear expectations and goals with me	_	57	74
In the last year, I did not receive an employee appraisal or an employee performance and development plan	_	59	_
In my workplace, employee performance and development plans or appraisals:			
Are fair and accurate	_	60	_
 Help me focus my work efforts to meet our work goals 	_	50	_
Help me achieve my development goals	_	43	_

^aNone of these questions were included in the 2001 survey.

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2004)

^bAverage of 50 top companies in 2004.

¹⁴General Accountability Office. Human Capital: Key Principles from Nine Private Sector Organizations. January 2000; Hewitt Associates. Best Employers in Canada Share Five Key Traits. December 29, 2003.

Employees also need specific and timely feedback on their performance. They need to know how well they are doing so that they can optimize their performance by building on their strengths and minimizing their weaknesses. We found that fewer than half of our respondents said they received sufficient feedback about the good work they have done or the things they could do better.

Performance reviews (also known as appraisals or agreements) provide managers with one tool to set direction, offer feedback and hold their employees accountable for their performance. In British Columbia's public service, managers are expected to use employee performance and development plans (EPDPs) to do this. We found, however, that about 60% of all employees had not received any kind of performance review in the last 12 months (Exhibit 9).

We also found that the value of EPDPs is not well understood in the public service. Amongst employees who had received an EPDP or performance review, almost two-thirds felt they were fair and accurate, but only about half saw them as useful for meeting work and personal goals. Many employees in our focus groups said that they were skeptical about the benefits of an EPDP. Again, we believe that more needs to be done to explain the benefits of these plans to supervisors and their employees. Until people believe in the value of the process, they will either avoid it or treat it as a pointless administrative task.



True leaders tap into peoples' hearts and minds, not merely their hands and wallets.

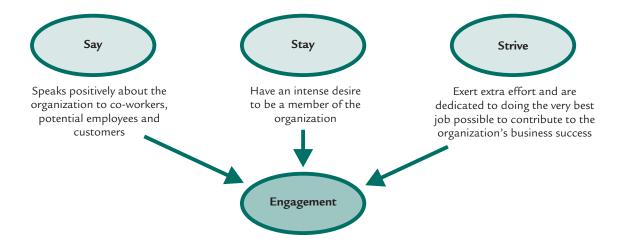
(Kouzes and Posner, 1995)

The fourth key element in the public service workplace that we looked at was employee engagement. "Engagement" is defined as the state of intellectual and emotional involvement employees have in an organization. It is a measure of the energy or passion employees have for the organization. Engaged employees are committed to their employer, are proud of where they work and strive to do more than they are required to do to ensure the success of the organization they work for (Exhibit 10).

Research indicates that well-performing organizations have engaged employees. As we discussed earlier, studies show that employee engagement is linked to high-quality service and client satisfaction. In the private sector, employee engagement has also been linked to increased revenue and profits. ¹⁵ In the public sector, early research indicates that citizen satisfaction with government services leads to greater confidence in government institutions. ¹⁶

Exhibit 10

Common behaviours exhibited by engaged employees



Source: Hewitt Associates

¹⁵Heskett, James L., W. Earl Sasser, Jr. and Leonard A. Schlesinger. The Service Profit Chain: How Leading Companies Link Profit and Growth to Loyalty, Satisfaction and Value. New York: The Free Press. 1997; Towers Perrin HR Services. Working Today: Understanding What Drives Employee Engagement: The 2003 Towers Perrin Talent Report. 2003; Rucci, Anthony J., Steven P. Kirn and Richard T. Quinn. "The Employee-Customer-Profit Chain at Sears." Harvard Business Review, January-February 1998.

¹⁶Heintzman, Ralph and Brian Marson. Treasury Board of Canada Secretariat. "People, Service and Trust: Is There a Public Sector Value Chain?" Paper prepared for the annual conference of the European Group of Public Administration, "Public Law and the Modernising State" Oeiras, Portugal. September 3-6, 2003; Institute for the Citizen-Centred Service and the Institute of Public Administration of Canada. Citizens First 3, 2003.

Demographic Variances in Engagement

In 2002, we reported that the level of employee engagement in an organization is more a factor of the quality of the work environment than of an employee's personal characteristics. We noted one exception in our survey findings: employees under the age of 30 were less engaged than other provincial employees. This time we did not find the same pattern. There was very little variation based on age, although employees between the ages of 30 and 39 proved to be somewhat less engaged than those in other age groups.

We also found that men are clearly less engaged than women in the public service. We do not know why this is, but several other studies we looked at noted a similar pattern.

As well, we found that managers were more engaged than any other employment group (although still less engaged than our benchmark group). Virtually every study we reviewed found the same thing. Managers simply have more control or influence over their work environment.

> In the remainder of this section, we report the current level of employee engagement in the province's public service and identify the work environment factors that provide the best opportunity to strengthen engagement.

Employee engagement is still far below that in high-performing organizations

Our survey found that the British Columbia public service has an engagement rating of 53%. Our comparison group (50 top organizations to work for in Canada) received a 79% rating. 17 In relation to those organizations, British Columbia's public service employees are just as client-focused but not as proud of where they work or as committed to staying (Exhibit 11). Only 45% would highly recommend their organization or believe their department inspires them to do their best work, and only 25% believe their ministry's reputation helps them to attract the best employees. These results do not compare favourably with the 80% or so of employees from our comparison group who said the same.

¹⁷For an explanation on how the engagement score is calculated, see Appendix B. The engagement score in 2001 was 59% but this was based on a different set of questions and a slightly different methodology and is not comparable.

In our view, these findings should concern government. With employees who are only moderately engaged, government is not likely receiving the best performance possible from its staff. Pride in being a public servant has suffered in recent years, likely as a result of both government scandals and staff reductions. When public service employees do not take pride in where they work or believe their department is worth recommending to others, government will face a challenge in recruiting future employees—a situation that will exacerbate the much anticipated retirements of the baby boomer generation. Our survey suggests that more than 5,000 public service employees (22%) are planning to retire in the next five years (Exhibit 12). Since the provincial government will need to compete for replacements with other public and private sector employers faced with similar challenges, its reputation as a good employer will be critical to its success.

Exhibit 11

Engagement and pride: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
I would highly recommend this organization to a friend seeking employment	43	45	84
I am proud to tell others I am part of this department	54	58	_
I am proud to be an employee in the British Columbia public service	_	62	_
It would take a lot to get me to leave this ministry	_	47	77
This ministry deserves my loyalty	_	57	_
This department really inspires me to do my best work	_	45	76
I often do more than what is necessary to help our clients	_	87	-
^a Average of 50 top companies in 2004.			

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2004)

Exhibit 12 Percentage of public service employees planning to retire by December 2008

Occupation Category	Percentage %	Total Number #
Managers	11	958
Administrative Support	19	1,128
Enforcement or Corrections	22	391
Health, Education, Social	21	891
Information Technology	12	138
Science and Technical	24	734
Senior Administrative or Finance	20	664
Trades, Operations	30	177
Total Employees, 2004	22	5,081
Total Employees, 2001	19	5,247

Source: Office of the Auditor General Work Environment Survey (2001 and 2004)

Employees need stronger leadership, better opportunities for development and advancement, and more recognition

Employees are more likely to be engaged when their work environment is healthy, supportive and enabling. Research has shown that a healthy work environment is composed primarily of:

- trusting relationships with senior leaders, direct supervisors, co-workers and clients;
- interesting and meaningful work;
- opportunities to develop new skills, participate in decisions and advance careers;
- a good balance between work and personal life;
- adequate pay and benefits;
- recognition and feedback; and
- a safe and secure workplace.¹⁸

¹⁸Hewitt Associates; Lowe, Graham S. *The Quality of Work: A People-Centred Agenda*. Don Mills, Ontario: Oxford University Press. 2000; Canadian Policy Research Networks website: www.jobquality.ca.

Some of these work environment factors may affect employee engagement more than others and this varies from one organization to the next. Through our analysis, we were able to identify the four work environment areas in the provincial public service that provide the best opportunity to improve employee engagement. What this means is that any investment made to strengthen employee engagement would have the greatest positive impact if it were dedicated to one or more of the following areas:

- executive leadership,
- development opportunities,
- career advancement opportunities, and
- individual recognition.

This finding is similar to that from our 2001 survey. Executive leadership is still the work environment driver that, if improved, would have the greatest positive impact on employee engagement.

We have already discussed executive leadership earlier in this report, so here we will focus on the other three drivers.

Employees need more opportunities to develop the skills they need to deal with the changes and challenges they face

Continuous learning and professional development is becoming increasingly important to today's provincial public service. As government moves from delivering services directly to relying on others to deliver those services, it is becoming more reliant on the skills, knowledge and adaptability of its workforce to make this change a success. In such an environment, employee development is a necessary investment, not a luxury.

We found that, in comparison with 2001, British Columbia's public service employees are slightly more satisfied with their development opportunities, but still much less so as compared with our benchmark group (Exhibit 13). Only 36% of the public employees we surveyed—versus 78% of employees from our benchmark group—believe that their ministry supports the growth and development of its employees, or that they are given enough opportunities to develop new skills or take on new challenges.

Exhibit 13

Opportunities for professional development: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
This ministry supports the growth and development of its employees	-	36	78
There are enough opportunities for me to:			
■ Improve my skills in my current job	38	47	77
 Develop skills necessary to take on different roles 	30	37	68
Satisfy my personal needs for new challenges and development	-	36	71
^a Average of 50 top companies in 2004.			

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2004)

Many of the employees in our focus groups told us they feel they are being asked to take on new tasks without sufficient training. Some talked of insufficient access to and availability of training as a result of restrictions in training and travel budgets. Others said that they simply could not afford to take time away from work. There was also a perception among some employees that access to training was only for the "favoured few."

The value of employee performance and development plans is not well understood

The BC Public Service Agency has established a good framework for strengthening learning and professional development in the province's public service, but implementation of the framework is still in progress. Recognition of the importance of development appears in high-level, strategic documents such as the corporate human resource plan. One of the provincial government's six corporate human resource goals outlined in this plan is "creating a learning and innovative organization." A corporate learning strategy outlines specific objectives and strategies for achieving this goal.¹⁹ Many of these strategies have been implemented, but

¹⁹Government of British Columbia. The Future of Employee Learning: A Learning Strategy for the Public Service of British Columbia, November 2002.

several are still in progress. One of the most promising of the latter is the employee performance and development plans (EPDPs). This tool is used not just to hold employees accountable, as we discussed in the previous section, but also to encourage discussion between employees and their managers around learning needs. As well, EPDPs are expected to link employee learning needs to the organization's needs. If implemented effectively, they have the potential to help employees and their supervisors focus their training and development on critical needs. Also, the contents of these learning plans, when taken together, should help ministries and the BC Public Service Agency identify the learning needs of all employees, thereby increasing the cost effectiveness of training dollars.

Despite all of this potential, most employees (as noted earlier) had not completed an EPDP at the time of our survey and were skeptical of their value. More, therefore, needs to be done to communicate—both to employees and to their supervisors—the benefits of this process.

More investment in professional development may be needed

The implementation of the corporate learning strategy is supported by an approximately \$8 million public service learning fund established in 2001. This central fund helps to protect training dollars from ministry budget cutbacks during times of fiscal restraint and allows the BC Public Service Agency to offer courses to all public service employees. Ministries provide their own training as well, but to a lesser degree, and they do not capture the number of hours or the costs of this training in a consistent or complete way. Therefore, it is difficult to determine how much is invested in training and development across government.

That said, the information we were able to attain, incomplete as it is, suggests that the total resources dedicated to training and development in the public service is still no more than 1% of government salaries and benefits. High-performing organizations tend to spend between 3% and 5% of their payroll expense on training and development. This gap may partially explain the employee complaints we heard about lack of training opportunities.

Few employees are satisfied with their career advancement opportunities or believe hiring is done fairly

Research suggests that opportunities for career advancement are one of the most significant considerations in attracting and retaining employees.²⁰ Formal career planning provides clarity to employees and helps ensure their development is in line with the needs of the organization. According to the Conference Board of Canada, "effective career planning improves productivity and retention by deploying people into work that they are best suited for and passionate about."²¹

We found very little change from our 2001 survey. Only 36% of employees are satisfied with the career opportunities available to them, versus 69% in our benchmark group (Exhibit 14). We also know that dissatisfaction with career advancement is linked to dissatisfaction with training and development opportunities. Several employees in our focus group said that they were unable to advance their career because they were unable to get the necessary training or development opportunities.

Employees are also still generally unclear about their career paths. For some, their future prospects may be obvious, but for others (such as the administrative assistants who answered our survey), they simply do not know how to advance within their ministries. Effective implementation of the EPDPs should provide a good opportunity to clarify career paths.

Of greater concern to us than the lack of opportunities available is the mere 38% of employees who agree that the way the public service promotes people is fair. This was a concern commonly expressed in the written comments of our survey, where many remarks were made about perceptions of favourtism and promotions or temporary assignments without competitions. The belief among numerous respondents was that "it's not what you know, but who you know." This result is particularly troubling given that the hiring practices adopted by the public service were designed to ensure fairness—even at the expense of efficiency in some cases.

²⁰Conference Board of Canada. Building Tomorrow's Public Service Today: Challenges and Solutions in Recruitment and Retention. July 2002.

²¹Conference Board of Canada. Training and Development Outlook: Canadian Organizations Continue to Under-Invest. 2003.

Exhibit 14

Career advancement opportunities: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
My overall satisfaction with career advancement opportunities	28	36	69 ^b
There are enough opportunities for me to advance my career	28	32	_
Managers in my department encourage employees to develop new skills to enhance their careers	47	52	_
I know how to find out what job advancement opportunities are open to me	65	62	_
The process of selecting a person for a position is fair	37	38	59

^aAverage of 50 top companies in 2004.

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates 50 top Canadian companies (2002 and 2004)

The public service has a reputation for being so slow and cautious with its hiring that it is at risk of being outpaced for talent by the private sector.

Workforce reductions and the way they were handled may offer a partial explanation for these negative perceptions. As we discussed earlier, only 39% of employees said that workforce adjustment was administered fairly in their ministry. In our focus groups, many people said that they were frustrated or disappointed when someone from the "displaced list"²² was reassigned to a position above them, in effect taking away one of their few opportunities for advancement. They believed these people were often less qualified as well.

Since our survey was completed, the public service has changed the hiring process by essentially removing the formal appeal process in hopes of making the process easier and more timely for managers to administer. But it is unclear to us what effect the removal of the appeal process will have on employee perceptions, and we believe this should be monitored.

^bThis benchmark is from Hewitt Associate's 2002 survey. Hewitt Associates dropped this question in its 2004 survey.

²²The "displaced list" was composed of individuals whose positions were eliminated and were waiting for placement in a different position.

Managers need to do better at recognizing their employees' accomplishments

High-performing organizations recognize employees for their accomplishments. Recognition helps to reinforce positive behaviours and retain and engage employees. Lack of recognition can reduce employee motivation and commitment.²³

Whatever form it takes, effective recognition needs to be specific, fair, timely and sincere. Formal recognition includes longservice awards and recognition events. Informal recognition is the praise or encouragement given by a supervisor or co-worker for everyday demonstrations of excellence. While both types have their place, we believe that informal recognition has the biggest impact on employee engagement.

Our survey results showed that employee satisfaction with recognition has improved since 2001, but is still low, especially in comparison with that in our benchmark organizations (Exhibit 15).

Exhibit 15

Employee recognition: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Survey Question	2001	2004	Benchmark ^a
I received adequate recognition (beyond compensation) for my contribution/accomplishments	_	32	60
My overall satisfaction with individual recognition	29	43	70 ^b
At work, my opinion counts	54	58	74
I am appreciated for the contribution I make to my department	49	54	65
In my workplace, recognition and rewards are based on merit	20	31	_

^aAverage of 50 top companies in 2004.

Source: Office of the Auditor General Work Environment Survey (2001 and 2004) and Hewitt Associates

^bThis benchmark is from Hewitt Associate's 2002 survey. Hewitt Associates dropped the overall satisfaction questions in its 2004 survey.

²³EIA International Panel Discussion. Performance Measurement and Recognition: Achieving Results through Employees. August 28, 1998.

Only about one-third of employees believe they receive adequate recognition, compared with 60% of employees in our comparison group. A higher percentage of public sector employees believe their opinion counts (58%) and feel they are appreciated for the contribution they make to their departments (54%). This suggests that most believe they are valued even if they are not formally recognized for their contribution.

Of particular concern to us is that only 31% of employees believe that recognition and rewards are based on merit. Although it is an improvement from the 20% who believed this in 2001, we are still concerned because recognition that is not believed to be earned or fairly distributed may be worse for employee morale than no recognition at all.

Recognition programs are helpful, but more emphasis should be placed on informal recognition

A number of different recognition programs exist in the province's public service—including ministry-specific programs, although we did not find a link between the ministries with such programs and employee satisfaction with recognition. Some of the most satisfied public service employees were part of ministries without any formal recognition programs and some of the least satisfied were part of ministries with such programs. This, we believe, supports our belief that formal recognition programs have a limited impact on employee satisfaction, often reaching only a small minority of employees.

More effective is the informal, day-to-day feedback and recognition employees receive from their peers, supervisors and leaders. Almost half of the employees who answered our survey said that the pride they have in their job is significantly affected by their supervisor—more than by any other group (Exhibit 16). Therefore, it is really up to individual supervisors to ensure that they recognize the accomplishments of their staff on an ongoing basis and in a way that is valued by each individual. However, we also know that executive leadership sets the overall tone for the organization. If those individuals believe in and model the value of recognition, their managers are more likely to do the same.

Exhibit 16

Pride and recognition: survey highlights (%)

Survey responses representing "strongly" or "mostly" agree

Pride in my job is affected by comments made by:	
My supervisor	49
Public/external clients	39
■ My co-workers	35
Executives in my ministry	30
Political leaders	19
■ The media	12

Source: Office of the Auditor General Work Environment Survey (2004)

While all employees want consistent, timely and sincere recognition, they do not all agree on the best form of recognition. In our focus groups, we found that some prefer monetary awards; others just want a sincere "thank you." Some believe individual rewards are the most valuable, while others only want team recognition. Consequently, it is important for managers to tailor the recognition they give to fit the needs of their staff.

Making improvements in recognition provides an opportunity for leaders and managers to develop or regain the trust of their staff. However, we believe many managers struggle with providing recognition. They either don't know how to do it, or don't believe they have the time to do it. Given these challenges, we believe that government should provide more support for managers by educating them on both the value of recognition and the best way to go about it. The BC Public Service Agency's website includes suggestions to help managers provide informal recognition to staff. This is a good first step we agree, but more can be done to show managers the benefits of recognizing staff. Perhaps the most effective way is for executive leaders to lead by example, recognizing their own staff first and encouraging others to do the same.



Government Response

Government Response

Deputy Ministers across government remain committed to the actions initiated since the April 2002 Auditor General report, Building a Strong Work Environment in British Columbia's Public Service: A Key to Delivering Quality Service, that are directly related to improving the quality of the work environment of the BC Public Service. The value of this report: Building a Strong Public Service: Reassessing the Quality of the Work Environment in the British Columbia Public Service, is that it confirms we are on the right path in many of our initiatives, while challenging us to take further action in specific areas.

Changing corporate culture to become a high-performing organization is a commendable goal and one that we are committed to achieve. We recognize that we are on a journey of change and improvement that will take time. As we move forward, many factors will influence the rate of improvement and it is important to acknowledge those influences while continuing to aim for our preferred end state. In November of 2003, the time period of the Auditor General's survey, many ministries were still experiencing the results of rapid restructuring and continuing reductions in personnel. Many staff were in roles that were new and unfamiliar and some organizations had completely new mandates. Times of rapid change can be confusing and unsettling for all involved. Despite all that, we have not slipped backwards in our survey scores but have shown improvement. We need to pause and recognize the amazing resiliency of all public servants and their commitment to quality service, and then look forward to greater improvement.

Steps were taken in 2002 to address issues raised in that report including implementation of a corporate human resources strategy and a workforce adjustment transition plan. We are encouraged to see that all meaningful shifts in the survey assessment scores, albeit slight, have shown positive trends.

In the 2005 report, the Auditor General suggests staying the course in many of the programs currently under way as they are supported by best practice research and will enhance the performance of public service leaders. A number of key corporate programs have been initiated or significantly expanded since the auditor general initiated the research for this report. A few examples are outlined below:

Developing leaders now and for the future:

- Corporate Succession Planning Program identifies and provides accelerated development for employees willing and assessed able to accept leadership roles within the public service. This program has been expanded and now includes planning for Deputy Minister, Assistant Deputy Minister, Executive Director and Director positions.
- New Senior Manager/Executive Leadership Competency Framework contains competencies that directly support the four elements of a healthy work environment: strong executive leadership, citizen centred culture, engaged employees and performance management. The new competencies will be integrated into many of the public service's human resource practices.
- "Leading the Way" is a flexible and open learning program designed to enhance the skills of public service managers and supervisors. The learning options are made up of modules and other learning options such as workshops, events and e-learning opportunities that support superior performance in the BC Government and customized for supervisor, manager and senior manager roles.

Learning and development opportunities:

- Training programs offering over 100 courses in 7 curriculum areas addressing employee training needs across all of the public service. Curriculum is being updated in the area of human resource management and new curriculum is being launched for all levels of staff in procurement and contract management.
- Corporate Mentoring is an opportunity for the sharing of leadership and abilities. All employees, at every level, have knowledge and skills to share with others. The Corporate Mentoring Program formalizes this sharing.

Citizen Centred Service Delivery:

■ The Service Delivery Initiative, housed in the Ministry of Management Services arose from work done in fifty-seven communities by Cross Ministry Work Teams. These teams explored how best to provide access to government information and services in their community. Funding and staffing the Service Delivery Initiative office represents a real commitment to removing barriers and exploring opportunities for citizen centred service delivery.

Government Response

All ministries have responded to the 2002 AG report with ministry specific initiatives. Examples of these include:

The Ministry of Forests is implementing its Road Ahead Strategy. Some of the objectives and action plans of the Road Ahead Strategy focus on building understanding of the vision, mission and values of the organization; improve leadership at all levels (and related mentoring, leadership development, empowerment and engagement strategies); a people strategy (and related workforce planning, succession planning and hiring strategies) and creating a maintaining a healthy and safe workplace (and related health and wellness strategies).

The Ministry of Public Safety and Solicitor General and the BC Public Service Agency co-sponsored a "Learning Learning and Leading" session in October 2004. The session provided an opportunity for all ministries to share information on current strategies and initiatives in the area of learning and leadership and to identify priorities, challenges and best practices. One of the key intended outcomes is the establishment of a cross-government working group who can continue to network, share information, problem solve and work together to address learning and leading issues across the public service.

It has been 15 months since the data was collected for this report and we are confident that programs like those mentioned above will continue to promote a positive shift towards a healthier workplace. While we are confident that we are on the right track, Deputy Ministers also want to do more to improve the quality of the work environment through corporate planning, programming, measurement and reporting.

Planning

- A working group of Deputy Ministers will continue to meet to consider appropriate strategies to address the recommendations of this and the 2002 report.
- A number of focus groups of senior managers across government will be held to support the working group of Deputy Ministers to ensure both breadth and depth of response to the recommendations.

Programming

■ A new program called the "Learning Leader" complements existing leadership development programs targeted to the whole public service. The focus of this program for 2005 is to increase awareness of the importance of trust and increase understanding of what elements and actions build and maintain trust.

Government Response

■ A new Senior Leadership Competency Framework will be integrated into senior levels of recruitment, orientation, succession planning, performance management and corporate mentoring.

Measurement

- *The BC Public Service Agency will take responsibility for annual* measurement of the health of the public service work environment, beginning in fall 2005.
- We will also benefit from comparisons with other public service organizations by working with these organizations across Canada to develop a common employee engagement tool that measures employee engagement.

Reporting

- *Indicators and measures of workplace health will be reported annually* to the Legislative Assembly as part of the BC Public Service Agency's Annual Report.
- Ministries will work together to find a common approach to reporting on Ministry Human Resource Plans.

Deputy Ministers remain focused on the public service work environment. We strongly believe in the importance of a sustainable healthy work environment. Change will take time but we commit to continue our efforts to make improvements in this regard. Employees with questions or comments are encouraged to speak to their respective Deputy Minister.

On behalf of the Deputy Ministers' Council, Ken Dobell Deputy Minister to the Premier and Secretary to Cabinet



Appendices

Appendix A: Summary of Research Sources

Aon Consulting. Canada@Work, 2001.

BC Public Service Agency and BC Leadership Centre. 2003/04 Annual Service Plan Report. 2003.

BC Stats. The Voluntary Departure Program Employee Exit Survey. May 2002.

Canadian Policy Research Networks website: www.jobquality.ca.

Conference Board of Canada. *Building Tomorrow's Public Service Today: Challenges and Solutions in Recruitment and Retention.* July 2002.

Conference Board of Canada. *Training and Development Outlook:* Canadian Organizations Continue to Under-Invest. 2003.

Edmonundo, Conchas. "In Depth: Staffing, Employment, & Human Resources." *Antonio Business Journal*. January 17, 2000. Available online at http://www.bizjournals.com.

EIA International Panel Discussion. *Performance Measurement and Recognition: Achieving Results through Employees.* August 28, 1998.

Gergen, David. "A Conscience with a Bite." US News and World Report, Inc. 1998.

Government of British Columbia. *The Future of Employee Learning: A Learning Strategy for the Public Service of British Columbia.* November 2002.

Government of British Columbia. Fostering Excellence in Public Service: A Corporate Human Resource Plan for the Public Service of British Columbia 2003/04 – 2005/6, 2004.

Government of British Columbia. *Project Charter: Service Delivery Initiative Fiscal* 2004/05. April 27, 2004.

Heathfield, Susan M. *Survivors Can Soar After Downsizing*. About, Inc. 2004.

Heintzman, Ralph and Brian Marson. Treasury Board of Canada Secretariat. "People, Service and Trust: Is There a Public Sector Value Chain?" Paper prepared for the annual conference of the European Group of Public Administration, "Public Law and the Modernising State" Oeiras, Portugal. September 3–6, 2003.

Appendix A: Summary of Research Sources

Heskett, James L., W. Earl Sasser, Jr. and Leonard A. Schlesinger. The Service Profit Chin: How Leading Companies Link Profit and Growth to Loyalty, Satisfaction and Value. New York: The Free Press. 1997.

Hewitt Associates. Best Employers in Canada Share Five Key Traits. December 29, 2003.

Hewitt Associates. "Positive perception of leadership key ingredient to being a best Canadian company, says Hewitt Associates."

Hewitt Associates. "Best Employers in Canada 2004." Presentation to the Victoria Quality council. February 10, 2004.

Institute for the Citizen-Centred Service and the Institute of Public Administration of Canada. Citizens First 3. 2003.

Institute of Public Administration of Canada. "IPAC Public Sector Management Issues Survey 2002 Summary Report: The Views of Federal, Provincial & Territorial Deputy Ministers, and Municipal CAOs." 2002.

International Survey Research. "Employee Commitment US: Leader or Follower?" 2002.

Kernaghan, Kenneth. Rediscovering Public Service: Recognizing the Value of an Essential Institution. The Institute of Public Administration of Canada. 1999.

Kouzes, James and Barry Posner. The Leadership Challenge. Jossey-Bass Publishers: San Francisco, 1995.

Lencioni, Patrick. The Four Obsessions of an Extraordinary Executive: A Leadership Fable. Jossey-Bass: San Francisco, 2000.

Lowe, Graham S. Employer of Choice? Workplace Innovation in Government: A Synthesis Report. Canadian Policy Research Network. 2001.

Lowe, Graham S. and Grant Schellenberg. What's a Good Job? The Importance of Employment Relationships. Canadian Policy Research Networks. Study No. W/05. 2001. Available online at www.cprn.org.

Lowe, Graham S. The Quality of Work: A People-Centred Agenda. Don Mills, Ontario: Oxford University Press. 2000.

Maitland, Roger. "Bad Drivers." People Management. May 29, 2003.

Appendix A: Summary of Research Sources

Office of the Auditor General of British Columbia. *Building a Strong Work Environment in British Columbia's Public Service: A Key to Delivering Quality Service.* Report 1. 2002/2003.

Office of the Auditor General of British Columbia. *Maintaining Human Capital in the British Columbia Public Service: The Role of Training and Development*. Report 3. 1999/2000.

Pfau, Bruce and Ira T. Kay. *The Human Capital Edge: 21 People Management Practices Your Company Must Implement (or Avoid) to Maximize Shareholder Value.* McGraw-Hill, 2002.

Rucci, Anthony J., Steven P. Kirn and Richard T. Quinn. "The Employee-Customer-Profit Chain at Sears." *Harvard Business Review*. January-February, 1998.

Towers Perrin HR Services. *Working Today: Understanding What Drives Employee Engagement. The 2003 Towers Perrin Talent Report.*

Ugboro, Isaiah and Kofi Obeng. "Managing the Aftermaths of Contracting in Public Transit Organizations: Employee Perception of Job Security, Organizational Commitment and Trust." Report to the U.S. Department of Transportation, August 2001.

U.S. Government Accountability Office. *Human Capital: Key Principles from Nine Private Sector Organizations*. January 2000. GGD-00-28.

U.S. Government Accountability Office. "Managing for Results: Building on the Momentum for Strategic Human Capital Reform." Statement of David M. Walker, Comptroller General of the United States. March 18, 2002. GAO-02-528T.

U.S. Government Accountability Office. "Managing for Results: Using Strategic Human Capital Management to Drive Transformational Change." Statement of David M. Walker, Comptroller General of the United States on July 15, 2002. GAO-02-940T.

Zussman, David. "The Importance of Public Service Modernization." *The Public Policy Forum.* 2003. Available online at http://www.ppforum.com.



Appendix B: Our Survey Methodology

Survey design

The methodology we used for this survey was based primarily on the methodology we used for our 2001 work environment survey. To assess the progress that had been made since 2001, we needed to keep our current survey similar in size and scope.

In selecting our methodology originally in 2000, we reviewed a number of different statistical models and work environment surveys and studies. We selected an instrument developed by Hewitt Associates, a well-known human resource consulting firm, because it has one unique feature—predictive modeling. This feature allowed us to quantify the importance of the work environment factors that influence engagement, and to project the effect of changes on future employee engagement. We did this modeling for our 2004 survey as well. Once again, the core questions and the 6-point scale on our questionnaire were similar to those used by Hewitt in their annual "the Best Companies to Work for in Canada," study of Canadian employers (public and private). Statistics Canada and Hewitt Associates assisted us in the survey development and analysis of results.

The results in this report are based on a random probability sample representing a population of approximately 23,700 regular, full- and part-time British Columbia government employees directly employed by ministries. From an initial sample of 5,808, we achieved an overall response rate of 75% (or 4,377 respondents). For the most part, the questionnaire was very well completed, with virtually no questions going unanswered.

The sampling frame used for the survey was a linkage between the government payroll, or CHIPS file (Corporate Human Resources and Payroll Systems), and the government e-mail system, which added the e-mail addresses to employee records. The file contained the employee's ministry, gender, age and a number of other demographic variables of interest, as well as mailing addresses for employees with no e-mail. Using this file permitted the majority of sampled employees (97%) to complete the survey online. The 3% of sampled employees without e-mail were sent paper questionnaires. Since the coverage of the CHIPS file is essentially complete, the survey results can be said to apply to the target population as of November 2003—that is, "all regular employees who were not on long-term leave, and who were employed directly by a ministry" (i.e., excluding various boards and commissions).

Appendix B: Our Survey Methodology

The random probability sample, selected using a methodology supplied by Statistics Canada, balanced the need to model employee "engagement" government-wide and within the larger ministries, with the need to produce reliable estimates by a number of other characteristics. Fourteen ministry strata were formed (11 largest ministries, 2 ministries requesting censuses, and the remainder). Sampling rates varied from 1 in 6 employees in the largest ministries to 1 in 3 in the smaller ones. Systematic sampling from sorted files, and post-stratified weighting adjustments were used to ensure that the sample was also broadly representative by occupation and gender.

The occupational groupings used for 2004 differed from those used previously. Therefore, the 2004 results by occupation are not strictly comparable to those produced in 2000. The following groupings were used in 2004:

2004 Occupational Groups	Classification Examples
Managers	Senior Managers (ML 6-10), Middle Managers (ML 1-5)
Enforcement and Corrections	Correctional Officers, Deputy Sheriffs, Conservation Officers, Inspectors, Technical Enforcement Officers
Science and Technical	Licensed Science Officers, Biologists, Scientific/Technical Officers, Archivists, Laboratory Assistants, Technical Enforcement Officers
Health, Education and Social Work	Education Officers, Training Consultants, Activity Workers, Community Program Officers, Dietitians, Health Care Workers, Licensed Psychologists, Licensed Practical Nurses, Medical Specialists, Nutritionists, Pharmacists, Physiotherapists, Salaried Physicians and Veterinarians
Information Technology	Information System Analysts
Administrative Support	Administrative Assistants, Clerk Stenographers, Court Clerks, Clerks, Office Assistants and Receptionists
Senior Administrative, Finance, Economics or Research	Financial Officers, Administrative Officers, Communications Officers, Economists, Heritage Resources Officers, Legal Counsel, Librarians, Planning Officers, Policy Analysts, Research Officers
Trades and Operations	Electricians, Mechanics, Machinists, Building Maintenance Workers, Machine Operators, Assemblers, Strippers, Control Tower Operators, Deckhands, Food Production Services, Foremen, Forest Technicians, Laundry Workers, Marine Engineers, Park Assistants, Photo Arts Technicians and Gardeners

Appendix B: Our Survey Methodology

Analysis and results

The numerical results presented in this report are percentages of employees selecting the two most favourable categories on a 6-point scale (e.g., those selecting "5" or "6," corresponding to "mostly agree" or "strongly agree"). The bulk of the percentage estimates are calculated over the full population of British Columbia public servants. These have a margin of error of less than \pm 1.5%, 19 times out of 20. We present both our 2004 and 2001 survey results in this report. Differences of more than 2.1% between the two surveys are considered statistically significant. Though we concentrated on public service wide results, we also examined results by ministry, occupation group, and various demographic characteristics. Margins of error for these finer breakdowns range from \pm 2%, for results by gender, to \pm 6%, for any ministry, occupation, or age groups mentioned.

The modeling sought to find the relationship between a measure of employee engagement (the dependant variable) and employees' ratings of various aspects of their jobs (the independent variables), such as career advancement opportunities or physical working conditions (14 in all). Each employee's engagement score was calculated as the average of his or her responses to the following questions:

Strive This department really inspires me to do my best work. I often do more than what is necessary to help our clients.

Say I would highly recommend this department to a friend seeking employment.I am proud to tell others I am part of this department.

Stay It would take a lot to get me to leave this ministry. This ministry deserves my loyalty.

Employees scoring 4.5 or higher were considered "engaged." The overall percentage of employees considered engaged is termed the "overall engagement score."

Using regression, the first step was to find the equations that best described the relationship between the employee engagement scores and the independent variables. A simulation was then run to determine which job related factors had the highest impact on the overall percentage of employees considered engaged. From this, the most influential factors were identified, based on their

Appendix B: Our Survey Methodology

association (correlation) with the employee engagement score and their scope for improvement. For instance, ministry leadership arose as a leading factor because of its correlation with the engagement score and because, with only 36% of employees rating it highly, it had considerable room for improvement. In our report, we have concentrated on the four factors that have the highest potential positive impact on the overall engagement score: executive leadership, development opportunities, career advancement opportunities and recognition. Together, these four factors explain 57% of the observed variation in employees' engagement scores.

Hewitt's study of 129 Canadian employers provided us with a comparison group to set our survey findings in context. The 129 organizations were ranked according to their overall engagement scores. The scores were based on employee surveys similar to ours. The average overall engagement score for 50 top companies was 79% and formed our comparison group. We were then able to compare our results, on a question-by-question basis, with the averages found amongst these 50 organizations.

For more details on our survey methodology, contact:

Norma Glendinning A/Director Office of the Auditor General 8 Bastion Square Victoria, BC V8V 1X4

Phone: 250 953-3380

E-mail: nglendinning@bcauditor.com



Presenting survey results using the top two responses

The following table (Exhibit C1) contains the results for the 2004 work environment survey as compared to the 2001 work environment survey and the benchmark obtained from Hewitt Associate's 2004, 50 top Canadian companies. Unless otherwise noted, the numbers represent the percentage of employees selecting the two most favourable categories on a 6-point scale (e.g., those selecting "5" or "6," corresponding to "mostly agree" or "strongly agree"). Differences between 2001 and 2004 can be considered to be statistically significant if the difference is greater than 2%. We have placed dashes in the boxes where we do not have comparable 2001 or benchmark data.

Exhibit C1

Complete survey results: the percentage of employees answering "5" or "6" on a six-point scale

% of employees				
Survey Questions	2001	2004	Benchmark	
A. Workplace Values				
A1. To whom do you mainly provide services? (circle one number only) ^a				
1. Directly to the public or clients outside the BC Government	67	65	_	
2. Other BC public servants or politicians	31	35	_	
A2. In my workplace, employees know what standards they are expected to meet in serving clients	75	83	-	
A3. I often to more than what's necessary to help our clients.	_	87	_	
A4. In my workplace, employees receive recognition for high-quality client service	27	28	_	
A5. In your current job, have you received training specifically on client service? ^a			-	
1. yes	41	38		
2. no	51	55		
3. not sure	8	7		
A6. Employees in my workplace:				
a. Freely make suggestions to management for improvements				
or new services	55	56	_	
b. Communicate openly and honestly with management	44	53	-	
c. Focus on clients' needs (either internal or external clients)	75	72	_	
			continued	

	%	of employ	ees
Survey Questions	2001	2004	Benchmark
A7. Mistakes are used for learning as opposed to people being penalized in my workplace	61	58	78 ^b
A8. This department really inspires me to do my best work	_	45	76
A9. In our ministry, we are developing a workforce that adapts well to change.	_	33	73
A10. I have a clear understanding of my ministry's:			
a. vision	42	51	_
b. mission	49	55	_
c. values	44	50	_
d. human resource plan	_	25	_
A11. I have a clear understanding of:			
a. The goals of my department	71	69	_
b. How my work contributes to my department's goals	73	70	_
B. Leadership			
Ministry Leadership			
B1. Executives in my ministry:			
a. Are accessible to employees	29	34	68
b. Provide clear direction for the future	22	30	75
c. Are open and honest in communication	25	33	72
d. Are aware of employees' concerns	21	28	_
e. Care about employees' concerns	22	28	_
B2. I have confidence in the leadership abilities of the executives in my ministry	27	36	-
B3. I feel confident that the ministry is making the changes necessary to be successful in the future	22	29	-
B4. I trust executives to balance the needs of employees with those of my ministry	17	21	70
Leadership in Your Department			
B5. Managers in my department:			
a. Encourage employees to bring forward suggestions for improvements for programs or services	51	57	_
b. Encourage employees to develop new skills to enhance their careers	47	52	_
c. Are open to flexible work arrangements to accommodate personal needs	_	55	-
B6. I get enough information about our program/department results and performance to know how we are doing	43	43	82

		of employ	ees
Survey Questions	2001	2004	Benchmark
B7. The person I report to:			
a. Is an effective manager for me	_	67	75
b. Respects me	_	77	86
c. Manages change well	_	68	_
d. Understands my job well enough to evaluate my performance	_	69	77
e. Sets clear expectations and goals with me	_	57	74
f. Involves me in decisions that affect me	_	63	78 ^b
g. Takes the time to get to know me	_	66	73
h. Is open and honest in communication	_	69	79
i. Gives serious consideration to ideas and suggestions for improvements	58	68	_
C. Opportunities in the Public Service			
C1. I know how to find out what job advancement opportunities are open to me	65	62	_
C2 This ministry supports the growth and development of its employees	_	36	78
C3. There are enough opportunities for me to:	_	_	_
a. Improve my skills in my current job	38	47	77
b. Participate in decision-making	38	42	_
c. Advance my career	28	32	_
d. Develop skills necessary to take on different roles	30	37	68
e. Develop the skills necessary for a changing workplace	_	39	76
f. Satisfy my personal needs for new challenges and development	_	36	71
C4. The process of selecting a person for a position is fair	37	38	59
D. Relationships and Communication			
D1. I enjoy working for our clients	_	86	_
D2. My co-workers respect my thoughts and feelings	_	84	85
D3. In my workplace, my co-workers work together as a team	_	79	_
D4. I can easily get the information I need to do my job well from:	_	_	_
a. The department where I work	_	73	_
b. Other departments within my ministry	_	50	_
c. Other ministries	_	36	_
D5. I feel I can question a policy or practice without being criticized or penalized for doing so by:			
a. Senior management	_	47	_
b. The person I report to	_	72	-
c. My co-workers	_	86	-
			continue

	%	of employ	ees
Survey Questions	2001	2004	Benchmark
D6. I usually hear about important changes from the person I report to rather than from the rumour mill	_	50	-
D7. I receive sufficient feedback about: a. The good work I've done b. Things I could do better	- -	49 46	- -
E. Quality of Work Life			
E1. My work related stress is manageable	_	54	72
E2. I am able to choose how best to complete my work	_	76	82
E3. The balance between my work and personal commitments is right for me	_	61	69
E4. My job is interesting and challenging	_	70	_
E5. In my workplace work is distributed fairly	_	53	-
E6. My job makes good use of my knowledge and abilities	69	66	69
E7. My current workload is manageable	_	55	72
E8. Workplace safety and security receives appropriate attention here	_	71	89
E9. The workplace processes we have in place allow me to be as productive as possible	_	52	70
E10. I get a feeling of personal satisfaction from my work	64	63	-
E11. At work, my opinion counts	54	58	74
E12. I feel the work I do makes an important contribution to the ministry's success	65	68	_
E13. I am appreciated for the contribution I make to my department	49	54	65
E14. At work, I have: a. The authority to make the decisions necessary to do my job well b. The tools (technology and equipment) I need to do my job well c. The staff I need to do my job well	63 67 43	67 67 48	75 77 –
E15. Overall Satisfaction in the workplace: a. Career advancement opportunities b. Day-to-day work activities c. Ministry leadership/executives d. Departmental managers e. The person I report to f. Individual recognition	28 60 27 - 65 29	36 62 36 54 71 43	69 ^b 83 ^b 78 ^b – 83 ^b 70 ^b
 F. Human Resource Programs, Policies and Procedures F1. I am classified fairly compared to others doing similar work in the BC public service 	34	46	-

	%	6 of employ	ees
Survey Questions	2001	2004	Benchmark
F2. I am fairly paid compared to other places I might work outside the BC public service	27	45	_
F3. I receive adequate recognition (beyond compensation) for my contribution/accomplishments	_	32	60
F4. In my workplace, recognition and rewards are based on merit	20	31	_
F5. My benefits meet my (and my family's) needs well	54	64	78
F6. In my ministry, workforce adjustment (downsizing) has been administered fairly	-	39	_
F7. I know how to find answers to my human resource policy questions	-	45	_
F8. In my workplace, employees are held appropriately accountable for their performance.	-	41	-
 F9. Which have you had in the last year:^a 1. An EPDP 2. An employee appraisal 3. Neither 	- - -	25 16 59	- - -
F10. In my workplace, EPDP (appraisals): a. are fair and accurate b. help me focus my work efforts to meet our work goals c. help me achieve my developmental goals	- - -	60 50 43	- - -
G. Satisfaction, Pride and CommitmentG1. I would highly recommend this department to a friend seeking employment	43	45	84
G2. I think this department is a great place to work.	49	54	_
G3. I am proud to tell others I am part of this department	54	58	_
G4. This ministry deserves my loyalty	_	57	_
G5. I am proud to be part of this ministry	_	57	_
G6. I am certain that my ministry provides a valuable service to British Columbians	_	80	_
G7. My ministry conducts its business using high ethical standards	_	64	_
G8. It would take a lot to get me to leave this ministry	_	47	77
G9. This ministry's reputation helps us attract the best employees	_	25	81
G10. I am proud to be an employee in the BC public service	_	62	-
G11. If it were up to me, I would stay working in the BC public service: ^C a. For at least one more year c. Until I retire	_ _	87 72	- -
			continued

	%	% of employees			
Survey Questions	2001	2004	Benchmark		
G12. Are you planning to retire: ^a					
1. Within the next 12 months	_	6	_		
2. Within the next 5 years	_	16	_		
3. No definite plans to retire	_	78	_		
G13. I have worked within the BC Public Service (in any ministry): ^a					
1. Fewer than 2 years	_	3	_		
2. 2 to 5 years	_	14	_		
3. 6 to 10 years	_	19	_		
4. 11 to 15 years	_	26	_		
5. 16 to 20 years	_	12	_		
6. Over 20 years	_	26	_		
G14. Have you experienced any of the following in the last 12 months? ^d					
a. Recently changed job (e.g., promotion, transfer)	23	35	_		
b. A change in your duties or responsibilities in your existing job	47	60	_		
c. Change in supervisor	38	51	_		
d. Introduction of new computer technologies in your job	62	54	_		
e. Reduction in number of employees in your workplace	42	70	_		
f. Organizational restructuring in your workplace (such as merging					
or separating units or changing the number of levels in the office)	49	71	_		
g. Change in ministry executive	60	58	_		
h. Budget reduction in your department	51	67	_		
G15. How much is your pride in your job affected by comments made by: ^e			_		
a. Your co-workers	_	35	_		
b. The person you report to	_	49	_		
c. Executives in your ministry	_	30	_		
d. Public/external clients	_	39	_		
e. The media	_	12	_		
f. Political leaders	_	19	_		

^aPercentage of employees selecting each of the categories below.

 $^{^{\}mathrm{b}}\mathrm{Hewitt}$ Associates dropped this question from its 2004 survey, so this result is from the 2002 survey.

^cResults of "b" are not releasable due to response errors.

 $d_{\mbox{Survey}}$ respondents selecting "yes."

 $^{{}^{\}rm e} Survey\ respondents\ answering\ "significantly."$

Presenting the Mean

The following table (Exhibit C2) contains the mean score for each relevant survey question for the 2004 survey. The mean represents the average of the full scale (usually a 6-point scale) and not just the results of the top two as is shown in the previous table. For this reason, we have only included the scale questions in the table below. We have included the score for 2001 as well where the question and the scale we used are the same.

Rating scales data are ordinal; they have no associated metric. Unlike the top-2 box score which does describe an actual characteristic of the population (i.e., the percentage that chose strongly or mostly agree), means calculated from the ordinal rating scale data are purely abstract. Means do have the advantage of using all of the information collected—not just the top-2 boxes. This makes them useful as indicators of where differences over time or between items are worth exploring. Though we have chosen to report the top-2 box scores because they are more easily understood, we have also corroborated our findings by examining the means.

Because of the large sample sizes, differences as small as 0.10 will be statistically significant; however, differences of at least $^{1}\!/_{4}$ to $^{1}\!/_{2}$ point are better indicators of where real shifts may have taken place.

Exhibit C2

Complete survey results: the mean

			ean		Meaningful
Surv	ey Questions	2001	2004	Difference	Shifts
A. A2.	Workplace Values In my workplace, employees know what standards they are expected to meet in serving clients	4.87	4.99	0.12	No
A3.	I often to more than what's necessary to help our clients.	-	5.27	_	_
A4.	In my workplace, employees receive recognition for high-quality client service	3.43	3.45	0.02	No
A6.	Employees in my workplace: a. Freely make suggestions to management for improvements or new services b. Communicate openly and honestly with management c. Focus on clients' needs (either internal or external clients)	4.33 3.96 4.86	4.39 4.24 4.84	0.06 0.28 -0.02	No Yes No
A7.	Mistakes are used for learning as opposed to people being penalized in my workplace	4.39	4.33	-0.06	No
A8.	This department really inspires me to do my best work	_	3.98	_	_
A9.	In our ministry, we are developing a workforce that adapts well to change.	_	3.69	_	-
A10	 I have a clear understanding of my ministry's: a. vision b. mission c. values d. human resource plan 	4.08 4.24 4.14	4.25 4.36 4.22 3.46	0.17 0.12 0.08	No No No
A11	I have a clear understanding of:a. The goals of my departmentb. How my work contributes to my department's goals	4.81 4.88	4.77 4.80	-0.04 -0.08	No No
B. Mini	Leadership stry Leadership				
B1.	Executives in my ministry: a. Are accessible to employees b. Provide clear direction for the future c. Are open and honest in communication d. Are aware of employees' concerns e. Care about employees' concerns	3.41 3.25 3.39 3.21 3.14	3.62 3.56 3.65 3.44 3.38	0.21 0.31 0.26 0.23 0.24	No Yes Yes No No

		M	ean	_ 100	Meaningful
Surv	ey Questions	2001	2004	Difference	Shifts
B2.	I have confidence in the leadership abilities of the executives in my ministry	3.38	3.73	0.35	Yes
В3.	I feel confident that the ministry is making the changes necessary to be successful in the future.	3.31	3.48	0.17	No
B4.	I trust executives to balance the needs of employees with those of my ministry	3.04	3.18	0.14	No
Lead	ership in Your Department				
B5.	Managers in my department:				
	Encourage employees to bring forward suggestions for improvements for programs or services	4.17	4.39	0.22	No
	b. Encourage employees to develop new skills to enhance their careers	4.14	4.28	0.14	No
	c. Are open to flexible work arrangements to accommodate personal needs	_	4.34	_	_
B6.	I get enough information about our program/department results and performance to know how we are doing	3.96	3.94	-0.02	No
B7.	The person I report to:				
	a. Is an effective manager for me.	_	4.62	_	_
	b. Respects me	_	5.00	_	_
	c. Manages change well	_	4.70	_	_
	d. Understands my job well enough to evaluate my performance	_	4.73	_	_
	e. Sets clear expectations and goals with me	_	4.41	_	_
	f. Involves me in decisions that affect me	_	4.57	_	_
	g. Takes the time to get to know me	_	4.69	-	_
	h. Is open and honest in communication	_	4.78	_	_
	i. Gives serious consideration to ideas and suggestions for improvements	4.37	4.75	0.38	Yes
C.	Opportunities in the Public Service				
C1.	I know how to find out what job advancement opportunities are open to me	4.61	4.50	-0.11	No
C2.	This ministry supports the growth and development of its employees	_	3.78	_	_
C3.	There are enough opportunities for me to:				
	a. Improve my skills in my current job	3.78	4.14	0.36	Yes
	b. Participate in decision-making	3.76	3.96	0.20	No
	c. Advance my career	3.40	3.63	0.23	No
	d. Develop skills necessary to take on different roles	3.55	3.82	0.27	Yes
	e. Develop the skills necessary for a changing workplace	_	3.92	_	_
	f. Satisfy my personal needs for new challenges and development	_	3.74	_	_

6			ean	Difference	Meaningful Shifts
	ey Questions	2001	2004		
C4.	I think the way the public service promotes people is fair	_	3.68	-	_
D.	Relationships and Communication				
D1.	I enjoy working for our clients	_	5.15	_	_
D2.	7 7 7 0	_	5.06	_	_
	In my workplace, my co-workers work together as a team	_	4.98	_	_
D4.	I can easily get the information I need to do my job well from:		4.04		
	a. The department where I work	_	4.81 4.23	_	_
	b. Other departments within my ministryc. Other ministries	_	3.86	_	_
D5.	I feel I can question a policy or practice without being criticized or penalized for doing so by:				
	a. Senior management	_	4.00	_	_
	b. The person I report to	_	4.79	_	_
	c. My co-workers	_	5.22	_	_
D6.	I usually hear about important changes from the person I report to rather than from the rumour mill	_	4.03	-	_
D7.	I receive sufficient feedback about:				
	a. The good work I've done	_	4.11	_	_
	b. Things I could do better	_	4.12	_	-
E. E1.	Quality of Work Life My work related stress is manageable	_	4.25	-	_
E2.	I am able to choose how best to complete my work	_	4.88	-	-
E3.	The balance between my work and personal commitments is right for me	_	4.46	_	_
E4.	My job is interesting and challenging	_	4.75	-	-
E5.	In my workplace work is distributed fairly	_	4.14	_	-
E6.	My job makes good use of my knowledge and abilities	4.63	4.54	-0.09	No
E7.	My current workload is manageable	-	4.21	-	-
E8.	Workplace safety and security receives appropriate attention here	_	4.70	-	-
E9.	The workplace processes we have in place allow me to be as productive as possible	_	4.18	_	-
E10.	I get a feeling of personal satisfaction from my work	4.60	4.57	-0.03	No
E11.	At work, my opinion counts	4.31	4.43	0.12	No

		ean		Meaningful
Survey Questions	2001	2004	Difference	Shifts
E12. I feel the work I do makes an important contribution to the ministry's success	4.70	4.77	0.07	No
E13. I am appreciated for the contribution I make to my department	4.20	4.30	0.10	No
E14. At work, I have:				
a. The authority to make the decisions necessary to do my job well	4.50	4.66	0.16	No
b. The tools (technology and equipment) I need to do my job well c. The staff I need to do my job well	4.60 3.83	4.61 3.99	0.01 0.16	No No
E15. Overall Satisfaction in the workplace:	3.63	3.99	0.10	INO
a. Career advancement opportunities	3.39	3.69	0.30	Yes
b. Day-to-day work activities	4.43	4.47	0.04	No
c. Ministry leadership/executives	3.40	3.68	0.28	Yes
d. Departmental managers	_	4.17	_	_
e. The person I report to	4.48	4.71	0.23	No
f. Individual recognition	3.47	3.93	0.46	Yes
F. Human Resource Programs, Policies and Procedures				
F1. I am classified fairly compared to others doing similar work in the BC public service	3.30	3.86	0.56	Yes
F2. I am fairly paid compared to other places I might work outside the BC public service	3.06	3.88	0.82	Yes
F3. I receive adequate recognition (beyond compensation) for my contribution/accomplishments	_	3.66	_	_
F4. In my workplace, recognition and rewards are based on merit	2.97	3.55	0.58	Yes
F5. My benefits meet my (and my family's) needs well	4.17	4.54	0.37	Yes
F6. In my ministry, workforce adjustment (downsizing) has been administered fairly	_	3.67	_	_
F7. I know how to find answers to my human resource policy questions	_	4.07	_	_
F8. In my workplace, employees are held appropriately accountable for their performance.	_	3.85	_	_
F10. In my workplace, EPDP (appraisals):				
a. are fair and accurate	_	4.41	_	-
b. help me focus my work efforts to meet our work goals	_	4.18	-	-
c. Help me achieve my developmental goals	_	3.97	_	_
				continued

	Ме	ean		Meaningful
Survey Questions	2001	2004	Difference	Shifts
G. Satisfaction, Pride and Commitment G1. I would highly recommend this department to a friend seeking				
employment	3.91	3.93	0.02	No
G2. I think this department is a great place to work	4.17	4.27	0.10	No
G3. I am proud to tell others I am part of this department	4.32	4.43	0.11	No
G4. This ministry deserves my loyalty	_	4.36	_	_
G5. I am proud to be part of this ministry	_	4.43	_	_
G6. I am certain that my ministry provides a valuable service to British Columbians	_	5.08	_	_
G7. My ministry conducts its business using high ethical standards	_	4.57	_	_
G8. It would take a lot to get me to leave this ministry	_	4.01	_	_
G9. This ministry's reputation helps us attract the best employees	_	3.41	_	_
G10. I am proud to be an employee in the BC public service	_	4.58	_	_
G11. If it were up to me, I would stay working in the BC public service: a. For at least one more year b. Until I retire	_ _	5.39 4.89	- -	_ _
G15. How much is your pride in your job affected by comments made by:				
a. Your co-workers	_	2.90	_	_
b. The person you report to	_	3.17	_	_
c. Executives in your ministry	_	2.70	_	_
d. Public/external clients	_	2.93	-	-
e. The media	_	2.03	-	-
f. Political leaders	_	2.18	_	_







Appendix D: Office of the Auditor General: 2004/05 Reports Issued to Date

Report 1 – April 2004

Follow-up of Performance Reports

Managing Interface Fire Risks

Transportation in Greater Vancouver:

A Review of Agreements Between the Province and TransLink, and of TransLink's Government Structure

Report 2 - June 2004

In Sickness and in Health: Healthy Workplaces for British Columbia's Health Care Workers

Report 3 - October 2004

Preventing and Managing Diabetes in British Columbia

Report 4 - October 2004

Internal Audit in Health Authorities: A Status Report

Report 5 - October 2004

Salmon Forever: An Assessment of the Provincial Role in Sustaining Wild Salmon

Report 6 - November 2004

Leading the Way—Adopting Best Practices in Government Financial Reporting 2003/2004

Report 7 - November 2004

Monitoring the Government's Finances Province of British Columbia

Report 8 - December 2004

Follow-up of Managing Contaminated Sites on Provincial Lands

Report 9 – December 2004

Follow-up of Two Health Risk Reports:

- A Review of Performance Agreements
- Information Use in Resource Allocation

Appendix D: Office of the Auditor General: 2004/05 Reports Issued to Date

Report 10 - February 2005

Building a Strong Public Service: Reassessing the Quality of the Work Environment in British Columbia's Public Service

This report and others are available on our website at http://www.bcauditor.com



