

TRANSPORT FOR LONDON

CORPORATE PANEL

SUBJECT: EMPLOYEE ENGAGEMENT

DATE: 17 NOVEMBER 2009

1 PURPOSE AND DECISION REQUIRED

- 1.1 The purpose of this report is to advise the Panel on TfL's approach to employee engagement.
- 1.2 The Panel is asked to note the content of this report.

2 BACKGROUND

- 2.1 TfL's desire is for its employees to have a positive attitude towards the organisation and its values. It wants all employees to be aware of business conditions and circumstances and for all employees to work together to improve performance for the benefit of TfL.
- 2.2 In addition to communications mechanisms that have been adopted and utilised frequently, TfL is keen to do more to engage employees. Historically, the primary means of engaging with employees within TfL has been through written communications to them. However, in recent times, an increasing emphasis has been placed on the need to focus greater effort on direct employee involvement – especially about what is happening within the TfL Group, how the organisation is performing, and what is planned for the future.
- 2.3 TfL is now concentrating on increasing its direct engagement with its employees as a way of building a highly committed workforce that will contribute to the more efficient operation of the organisation. TfL is keen to gain a greater understanding by its employees of the actions it needs to undertake over the forthcoming months and years to deliver a huge programme of investment, maintain front line services and achieve its savings and efficiencies objectives. This is exemplified by the Delivering Greater Value for Money programme, outlined in paragraph 4.4.

3 TfL's ENGAGEMENT OBJECTIVES

- 3.1 TfL has specific objectives it wishes to achieve through employee involvement and participation. The achievement of the following objectives will help drive a culture change within TfL, where ideas and knowledge are shared and the values and behaviours of the organisation are reinforced by all who work within it:
 - (a) Show top level commitment from TfL's leaders to the successful delivery of Mayoral priorities, cost savings and organisational change, thereby generating commitment of all employees to the success of TfL;

- (b) Provide a clear line of sight in terms of what TfL does and the impact that has on London, primarily in terms of value for tax payer money and the best service for the travelling public;
- (c) Engage employees in the development and implementation of activities to improve business performance;
- (d) Ensure that employees are up to date about changes to the organisation, including whether the change directly impacts them;
- (e) Raise awareness of the need for cost consciousness in everything TfL does. Highlight what is being done to embed this principle, support the implementation of change and provide opportunities for personal development;
- (f) Help employees to do their jobs as effectively as possible to optimise delivery, improve capability and reward appropriately;
- (g) Further increase the satisfaction that employees get from working at TfL; and
- (h) Provide all employees with the opportunity to influence and be involved in decisions that are likely to affect their interests.

4 EMPLOYEE INVOLVEMENT AND PARTICIPATION

- 4.1 TfL currently engages staff primarily through regular written communications and face-to-face discussion. Written communication occurs at both 'company' and 'local' level. Face-to-face communication occurs regularly, but primarily at 'local' level.
- 4.2 An engagement strategy that will set out key principles of managing an invigorated approach to engagement and involvement directly with employees will be developed within the next six months. A framework that sets out the specifics of how TfL engages will sit beneath the strategy and will include how the company's leaders, managers, and people themselves will contribute to the delivery of the strategy.
- 4.3 A Staff Engagement Liaison Group, consisting of key managers from all parts of TfL, has been established to oversee, guide and co-ordinate the strategic aspects of engagement in respect of key business activities and initiatives in the following ways:
 - (a) Overall strategic direction of TfL – e.g. organisational vision, business plans, budgets;
 - (b) Impacts on staff generated from existent employee relations activity;
 - (c) Key policy changes relating to employees; and
 - (d) Organisational and procedural changes arising from the efficiency initiative, including driving culture focussed on delivering value for money.

4.4 The Delivering Greater Value for Money programme was established to support a move to a leaner, fitter and more focused organisation which is geared towards delivering the Mayor's transport priorities, while providing the best value for taxpayer money.

(a) The key principles of this programme are:

- (i) Delivering greater value for money should become an inherent part of everything people do at TfL;
- (ii) Individual accountability to deliver greater value for money, year on year, across all activities in TfL;
- (iii) Nothing is sacred – all activity across TfL should be scrutinised and challenged as appropriate; and
- (iv) Reinforcement through performance management and the reward and recognition structure.

(b) To embed these principles as 'business as usual', there is an engagement programme involving all staff across TfL. In keeping with the belief that people will be more receptive to a message if it is delivered through local initiatives, channels and campaigns, this is being progressed in liaison with stakeholders in the modes. For example, by liaising with Employee Engagement in London Underground to ensure alignment with the 'Valuing Time' initiatives.

4.5 Communications and Briefing Systems

(a) TfL's employee communications involves the provision and exchange of information, optimising TfL's ability to function effectively and for its employees to be properly informed about developments. TfL is keen to do more to provide opportunities for employees to make their views known on issues that affect them. TfL recognises that good communication and consultation are central to the management process, resulting in the following benefits:

- (i) Time spent communicating at the outset of a development or project can ensure clarity of outcomes sought and the process for delivering them successfully;
- (ii) Allowing TfL's employees to express their views can help managers arrive at sound decisions that are more likely to be understood and accepted;
- (iii) TfL's employees will perform better with regular, accurate information about what the organisation is trying to achieve and how they, as individuals, can influence decisions;
- (iv) Discussing issues of common interest and allowing employees opportunities to express their views can improve employee relations; and
- (v) TfL's employees are more likely to be motivated if they have a good understanding of their job and how it fits into the TfL organisation as a whole.

- (b) A variety of communication methods are used within TfL that can be grouped into two categories: face-to-face and written.
- (i) The main face-to-face methods of communication within TfL are as follows:
- a. Regular meetings between managers and the employees for whom they are responsible, which occur across the TfL Group. Core corporate or modal presentation materials are provided for managers to discuss with their staff and are often supplemented with modal and departmental material. Topics include performance, future plans, health and safety matters, policies and benefits for employees. Two examples of this are 'Surface2face' and 'TfL Teamtalk'. A recent success has been the structured briefing packs supplied to directors and line managers that have been designed to obtain feedback directly from employees (e.g. feedback was recently sought on TfL's pay offer). The intention is to utilise this particular method of encouraging two-way communication more frequently in future.

On a modal level, 'Surface2face' is a team briefing and discussion tool, used to inform and engage staff on Surface Transport's strategic themes, focusing on generating feedback and stimulating discussion on a host of savings and efficiencies topics. Reinforcing value for money and ensuring money is spent on the right things has been a key theme for over a year. Discussion toolkits have asked staff to identify how to improve safety and social inclusion through low-cost measures, as well as how to maximise personal efficiencies in the workplace.

- b. Large-scale meetings at both organisation and modal level. These meetings involve presentations by directors or senior managers and typically cover the subjects of organisational performance and long-term objectives. A number of Director/ Senior Manager/ Manager briefings have taken place in recent times at corporate level with similar meetings held at modal level. All-staff events are less common but have taken place in LUL in the recent past.

The Commissioner has, in the past year, held two forums to brief directors on TfL's financial position during the period of economic change and to ensure that savings activities have been put into the correct context.

- (ii) The main written methods of communication within TfL are as follows:
- a. Company information. Some parts of the TfL Group are updating or developing staff handbooks and Source contains a variety of information for employees about the organisation and their employment.
- b. Corporate publications and newsletters. TfL has a number of these both at organisational and local level. For example, 'Weekly Roundup' is a two page electronic newsletter that is a mix of corporate news, projects, plans and events information. 'On The Move' is a monthly colour printed magazine for LUL employees with

an equal split between corporate messages, staff stories, Tube line based community news, plus a message from the Managing Director and a lively letters page. 'Upfront' is a two-monthly magazine for Surface Transport employees themed on key strategic goals with staff stories, corporate news, special projects and events information and a regular message from the Managing Director. There are also newsletters that are directorate focussed – for example: 'HR News' (for the Human Resources community); 'Connect' (for TfL's Customer Services staff), 'Newslines' (for LUL operational employees), 'Finance News' (for all staff in Finance) and the 'Research Bulletin' (which provides an overview of recently published reports). These publications are also used to provide employees with information on local progress with efficiencies projects.

- c. Electronic news and announcements. These are usually grouped together once a week. There are currently three versions (Corporate and Rail, Surface and LUL) and are tailored to include relevant modal and TfL-wide information. Additionally, urgent messages are published as intranet alerts (i.e. Source) and emailed to employees. These can occur at any time.

Since the implementation of the Operating Cost Reduction Programme, the Commissioner has provided staff with quarterly updates on the progress of efficiencies programmes.

- (iii) TfL regularly monitors and reviews its communications systems to ensure that practice matches policy, the desired benefits are being realised, the information is received and understood and managers know their role in the communications process. Monitoring is largely dependent upon feedback from employees through both formal and informal channels. TfL is looking at improvements in monitoring the effectiveness of its communications systems and is planning to develop assessment criteria – for example: has employee motivation improved; is there a greater willingness to accept change; do employees have an improved understanding of the organisation generally?

4.6 Employee attitude surveys

- (a) TfL recognises that surveys are an important upward channel of communication and feedback from employees to TfL's leaders and an effective tool for assessing both employee morale and commitment.
- (b) TfL uses employee surveys to obtain specific data on employee perceptions of fairness, pay policy and systems, development opportunities, and awareness of organisational strategy and long-term objectives (including organisational change, cost consciousness and efficiencies programmes). The annual employee survey within the TfL Group (called 'yoursay' for TfL Corporate, Rail and Surface and 'Speak Up' in LUL) is designed to:
 - (i) Provide the organisation with a clear view of what it is like to work for TfL, so that management can put in place action plans to build upon the positives and address the negatives;

- (ii) Help the organisation make internal comparisons of employee attitude across a number of different departments and locations; and
 - (iii) Provide specific views on employment policies (e.g. the operation of the Performance Improvement Policy, Work-Life Balance Policy and the Reward & Recognition Policy); and
 - (iv) Provide data that can inform key business decisions and plans.
- (c) The 2009 surveys will be undertaken during the Autumn, with key timelines as follows:
- (i) Presentations of the overall results will be delivered to the business areas by December for 'Speak Up' and early February 2010 for 'yoursay';
 - (ii) Summaries and data reports for directors and heads of department will be available in January 2010 and mid-February 2010 respectively;
 - (iii) A paper updating the Panel on the survey will be presented in February 2010; and
 - (iv) A new business forum is to be established in early 2010, providing an opportunity for representatives from the various business areas to have an input into the survey from a design and delivery perspective.

4.7 Staff Suggestions

- (a) Analysis is currently underway on the establishment of a formal network of focus groups, where individuals are brought together in groups on a regular basis to consider issues relating to the organisation of work, as well as wider issues of business plans and objectives, and key business projects. This method of involvement is being considered with particular reference to the 2012 Olympics, where employee ideas and opinions are able to be properly understood and considered, with open debate on how best TfL can support the successful delivery of the Games. This approach occurs informally at present in small pockets within the organisation, but the intention is to expand and formalise this.
- (b) TfL continues to support the Staff Network Groups as an important conduit of views and ideas.
- (c) Initial thinking has been undertaken on the creation of a formal Staff Suggestion Scheme across TfL. However, TfL is considering the alternative method of 'Solution Groups' (see 4.9 below).

4.8 Employee Recognition Scheme

- (a) A TfL-wide employee recognition scheme, similar to that which has been in operation within LUL for many years, has been developed that:
 - (i) Recognises and rewards employees whose behaviour and actions are exceptional;
 - (ii) Identifies suitable role models and highlights positive behaviours that other employees can aspire to; and

- (iii) Links individual behaviour with TfL's preferred values and/ or behaviours.
- (b) This recognition scheme is driven by the objectives of both TfL's Business Plan and the Skills and Employment Strategy.
- (c) The scheme will be implemented across TfL in the forthcoming months and provides a mechanism for the following:
 - (i) Financial awards (of bonds or vouchers) with values of £10, £50, £100 and £250;
 - (ii) Informal/ non-financial awards – e.g. thank-you letters, team events, time off in-lieu; and
 - (iii) Formal recognition events on TfL's premises.

4.9 Solution Groups

- (a) In addition to what is already happening at local level, TfL is considering the concept of Solution Groups whose aims are to identify work-related problems that are causing inefficiency or low quality of service and to recommend solutions to those problems.
- (b) This would provide additional opportunities for employees to meet on a regular basis to suggest ways to improve efficiency, quality and reduce costs and recommend actions for TfL's leaders to consider.
- (c) The value of this approach will be assessed by conducting a cost-benefit analysis as part of the diagnostic work. This analysis will take place during the first Quarter of 2010/11. While there are obvious benefits in adopting this approach, there is also a cost to TfL in relation to the time 'off the job' required to undertake this activity.

4.10 Representative Participation on a Collective Basis

- (a) A Business Involvement Forum is currently being considered that would comprise representatives from management, unions and employees. This work is due to commence during the first half of the 2010/11 financial year. This forum would be designed to:
 - (i) Discuss and agree the common aims and values of TfL and how the business objectives that underpin these aims can be achieved;
 - (ii) Discuss the impact on TfL of the wider economic situation;
 - (iii) Discuss TfL's equality and inclusion agenda;
 - (iv) Provide visibility of key issues and events, both internally and externally, affecting the organisation;
 - (v) Discuss business performance;
 - (vi) Discuss issues that impact on employees' working lives; and
 - (vii) Look at ways of improving employee engagement in the organisation.

5 RECOMMENDATION

5.1 The Panel is asked to NOTE the content of this report.

6 CONTACT

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