



POST OFFICE LIMITED

STRATEGIC EXECUTIVE GROUP REPORT

Title:	2024 Engagement Survey	Meeting Date:	1 st May 2024
Author:	Tim Perkins, People Services Director	Sponsor:	Karen McEwan, Group Chief People Officer

Input Sought: Noting and approval

The Strategic Executive Group is requested to:

- i. Note the results of the 2024 Colleague Engagement Survey.
- ii. Approve the proposed next steps outlined in this paper.

Executive Summary

Post Office completed an Engagement Survey at the start of 2024 and 86% of colleagues responded to the survey.

Engagement has fallen and this is driven by a decrease in the sense of pride colleagues have in working for the business. Given the external pressures on the business this was to be expected, and despite those external pressures colleagues remain motivated to do the best job they can and to remain at Post Office in the long term. Senior colleagues are under significant strain and this, coupled with poor internal communications, seem to be compounding a lack of confidence in senior leaders. Colleagues are looking for a refreshed strategic direction and for it to be communicated effectively across the business. Indeed, when colleagues understand the strategy, they feel more confident delivering for Postmasters, partners and customers. Colleagues experience of line management and technology has improved and Post Office is seen by the majority of colleagues to be an inclusive place to work.

The proposed plan is to share the results with all line managers from 7th May and then with the full business on 15th May at the Colleague Town Hall. Action plans will be completed by 28th June with a potential future Pulse Survey in August or September 2024.

Report

1. Post Office completed an Engagement Survey over three weeks in February and March 2024. The survey is run end-to-end by Ipsos, Karian and Box (IK&B) through the Qualtrics contract.

Completion rate

2. The completion rate for the survey was 86%. This was an increase on the completion rate of the last Pulse Survey (at 65%) and the last full Engagement Survey in 2022 (at 36%)



when Union activity impacted the completion rate). This level of completion is ahead of UK norms for completion of engagement surveys and means that the outcomes of the survey can be seen to be very representative.

Headline results

3. The overall outcome report (**Appendix A**) was shared with the Strategic Executive Group (SEG) on 23rd April 2024. It has also been shared with the 'Create New Confidence' Leadership Team group.
4. The key headline results from the 2024 Engagement Survey are as follows:
 - a. The engagement index has fallen 11% to 57%. This has been driven by a 22% decrease in colleagues feeling proud to work for Post Office. There has been a direct 'switch' from colleagues feeling proud of working for Post Office to not feeling proud of working for Post Office between the Pulse Survey and this survey. Our survey providers have noted that this 'switch' is unusual as pride normally erodes over time with colleagues migrating from positive to neutral and then to negative responses. This outcome and 'switch' was to be expected given the amplified external pressures on Post Office.
 - b. Whilst all drivers of engagement have fallen, colleagues' motivation to do the best job they can remains 12% higher than UK norms at 73%. This suggests that whilst colleagues do not feel proud of working for Post Office, they are determined to contribute to the transformation of the business.
 - c. 58% of all colleagues plan to be at Post Office for longer than 5 years – typically, even for businesses with high engagement, intention to stay for over 5 years only tends to reach the high 20s. So, whilst pride in working for Post Office has fallen, this has not translated into more colleagues planning to leave the business. More colleagues who plan to leave cite concerns about Post Office's future and culture than previously, with fewer colleagues citing reward.
 - d. The level of strain felt by senior colleagues at Post Office is substantially different to the level of strain felt by more junior colleagues and this is impacting their wellbeing. The predominant descriptions of the Post Office culture for junior colleagues are 'friendly' and 'supportive', whilst for senior colleagues they are 'bureaucratic' and 'political'. The barriers which have the highest impact on strain have decreased for junior colleagues, whilst increasing for senior colleagues. Proximity of senior colleagues to governance processes is likely a cause of strain and job and organisation design should be reviewed for senior colleagues.
 - e. The strain that senior leaders are under is also likely having an impact on their ability and capacity to lead brilliantly. This, along with the very public issues surrounding senior leaders at the time of the survey, may be a root cause for the lack of confidence that colleagues have in senior leaders. 35% of colleagues said they had confidence in senior leadership, down 4% from 2022 and down 5% from 2023. This fall in confidence might have been expected to be greater for this survey, but the lack of confidence in senior leaders is a long-term issue for Post Office and is significantly behind UK norms where 69% of employees have confidence in senior leadership.



- f. Poor internal communications are driving a lack of colleague confidence in both Post Office and the senior leadership. 43% of colleagues suggest that the one thing they would do to make Post Office a better place to work is to either 'improve internal communication' or 'be more honest and transparent'. In most businesses, suggestions to make the business a better place to work tend to centre on improving pay and benefits or improving progression opportunities, so the overwhelming feedback on communications at Post Office suggests this is a real area of opportunity.
- g. Colleagues are asking for a refreshed strategic direction and for it to be communicated effectively. This can be found in the verbatim comments of colleagues, but is also visible in the decline in colleagues views on whether the vision for 2025 and strategic priorities motivates them (-12% vs 2022 to 32% of colleagues). This question makes up one of the four drivers of colleague confidence in senior leaders and is both the largest declining driver against 2022 and the worst performing versus UK norms. It is also critical to note that when colleagues understand their role in relation to Post Office's strategy, they are much more confident that they can support Postmasters, partners and customers. 81% of colleague who understand their role in relation to Post Office strategy are confident in supporting Postmasters, partners and customers against only 26% of colleagues who do not understand their role in relation to Post Office strategy.
- h. Colleagues experience of their direct line managers and the technology they use in their jobs have both improved. Colleagues have a broadly positive experience of their direct line manager, particularly in relation to having regular check ins and caring about wellbeing and it has improved on all measures since 2022. Technology remains the biggest barrier colleagues feel they face at work, but this has fallen from 59% finding it a barrier in 2022 to 42% finding it a barrier in 2024.
- i. The colleague experience at Post Office is generally seen as equitable with 17% of colleagues having no improvements to suggest in relation to ED&I (and 8% of colleagues thinking that ED&I has gone too far at Post Office). However, the underlying responses suggest that more can be done to improve the experience of some groups of colleagues. Colleagues with a disability are less likely to feel included at Post Office, colleagues from ethnic minority backgrounds are less likely to feel that they can progress their career at Post Office and senior women are much more likely to have received an unwanted comment at work than senior men.

Next steps and timelines

- 5. The proposed timeline for next steps is detailed below:
 - a. 23rd April – Outcome report shared with SEG and 'Create New Confidence' group.
 - b. 1st May – Review the headline results and approve the proposed next steps at SEG (brought forward from 8th May).
 - c. 2nd May – Headline results shared with Leadership Team.



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- d. 7th May – Access to Dashboards becomes available to all line managers. This also enables line managers to begin building local action plans. There will be a standardised template for action plans which can be found in **Appendix B**.
 - e. 15th May – Business wide update at May Town Hall on survey results and next steps. To be led by Karen McEwan and/or Tim Perkins.
 - f. 4th June – Indicators from the colleague engagement survey to be included in broader culture update to Board.
 - g. 28th June – Business and local action plans to be finalised and submitted.
 - h. July – Survey dates and question set for Pulse Surveys to be agreed with SEG.
 - i. August/September – Potential timeline for Pulse Survey completion. This will be under a new contract, so there is an opportunity to reset timeliness of results with a new provider/under a new contract.
6. The sharing of the business level results with the 'Create new confidence' group will allow this group to lead on the creation of the business-wide action plan with support from Kayleigh Young (as Colleague Experience and Engagement Manager). The ownership of the business-wide action plan by this group indicates that the engagement results are 'leadership owned' rather than 'People function owned' to align to the broader shift of culture being owned by the Leadership Team rather than the People function.
 7. In addition to having business-wide and local (functional) action plans, we are proposing that action plans should also be created for three specific populations whose experience of working at Post Office differs from the norm. The purpose of this is to indicate that the results from the engagement survey are being addressed in a different way to the past, and this approach also indicates a move away from a siloed mentality within the business. The additional populations we propose action plans are developed for are:
 - a. Band 4 and SLP colleagues – with a specific focus on the strain that these colleagues have reported being under
 - b. Colleagues with a disability – with a specific focus on the level of inclusion that these colleagues experience
 - c. Colleagues from an ethnic minority background – with a specific focus on career progression within Post Office
 8. Subject to SEG agreeing to having these additional non-functional action plans, a sponsor for each from within the Leadership Team will be sought and action planning will be completed in line with the timelines for the business-wide and local action plans.