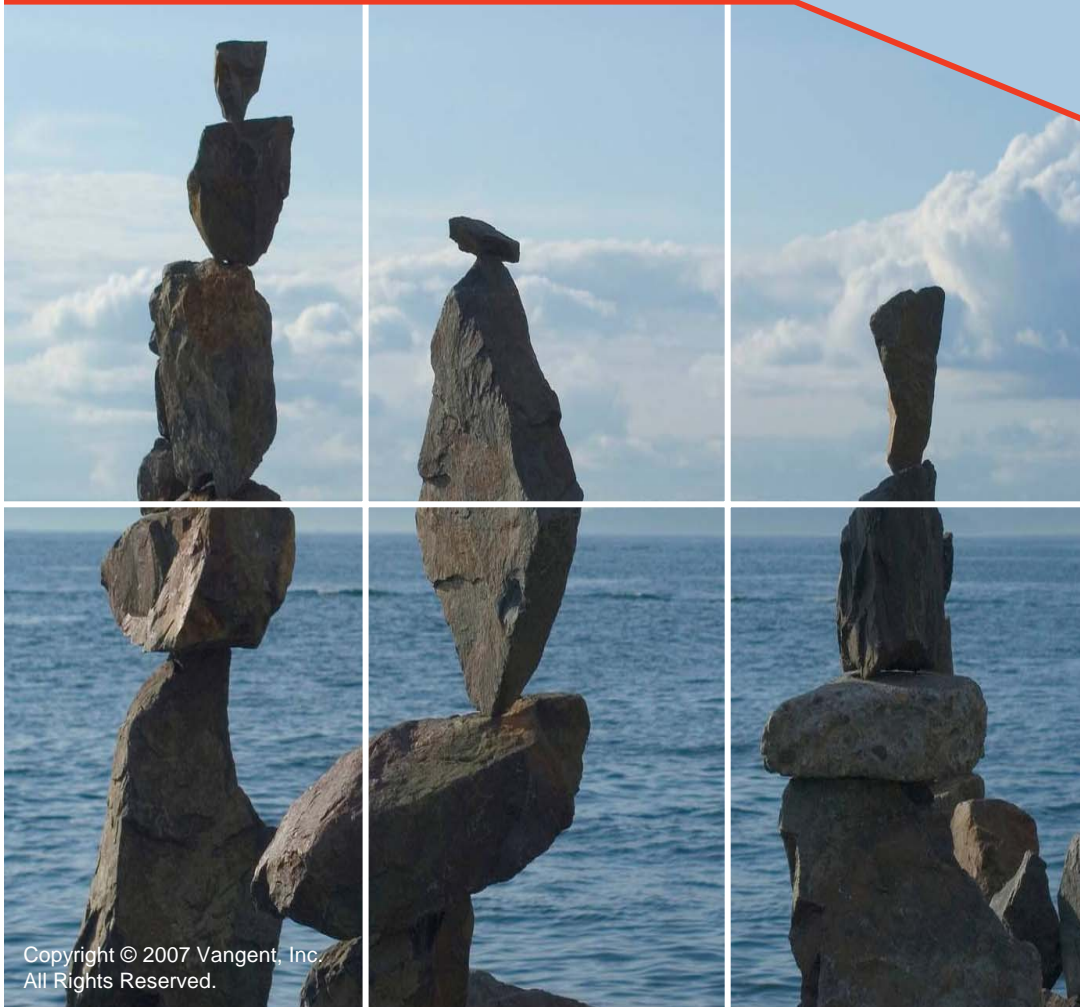


# Chelan County Public Utility District



## Organizational Survey Results

*April, 2007*

VANGENT 

# Agenda

- >> Vangent overview
- >> Survey design and methodology
- >> Chelan County Public Utility District survey results
- >> Conclusion

# Vangent, Inc.

- >> Formerly Pearson Performance Solutions and Pearson Government Solutions
- >> Purchased by Veritas Capital (a leading private equity firm) in February, 2007
- >> We are one of the fastest growing government contractors in the U.S.

# Organizational Survey System (OSS™)

- >> Development began in the 1950's at the Human Resources Center of The University of Chicago
- >> Consultants at Vangent, Inc., continue to review the content, update the norms and develop new normative comparisons

# Organizational Survey System (OSS™)

- >> 3 Morale Factors - Represent common needs regardless of job type, status, level, or setting, which must be satisfied to maintain high morale and productivity (6 scales)
- >> Organizational Effectiveness Categories – 8 scales measuring employee perceptions of the organization's operations (management, communication, work flow)
- >> Customization – 6 additional pre-validated scales, item-level customization, and open-ended comment transcription

# Morale Factors and Categories

## # 1: Intrinsic Satisfaction

Sense of belonging and worth employees get from performing a job they enjoy in an environment of security and mutual respect

- > Organization Identification - feelings of belonging, perceptions of organization, extent they identify with the organization
- > Job Satisfaction - Perceptions of the work itself, working conditions, and opportunity to use abilities.

# Morale Factors and Categories

## # 2: Extrinsic Satisfaction

External rewards; employee opinions of their compensation on three levels: internal, external, and absolute

- > Material Rewards (Pay) - Assesses attitudes about pay, including adequacy, fairness, and comparability to compensation in other organizations
- > Material Rewards (Benefits) - Assesses satisfaction with the benefits program and their ability to understand it

# Morale Factors and Categories

## # 3: Social Satisfaction

The quality of relationships with co-workers and immediate supervisors

- > Supervisory Leadership Practices - Assesses attitudes about supervision in terms of leadership ability and interpersonal skills (fairness, friendliness, consistency, ability to communicate)
- > Work Associates - Relationships between employees and between groups of employees

# Organizational Effectiveness Categories

- >> Management Effectiveness – attitudes toward higher management (make and follow through on decisions, run an effective operation, and earn the respect of employees)
- >> Communication Effectiveness – formal and informal patterns of communication
- >> Work Organization – how work is organized (allocation of work, understanding of responsibilities and regulations)
- >> Work Efficiency – effectiveness of how work is carried out (work methods, equipment, use of time, and quality of work produced)
- >> Supervisory Administrative Practices – supervisor as a manager of work and operations (cooperation with others, decision making, and problem solving)
- >> Motivation to Perform – relationship between the effort required for successful performance and obtained rewards
- >> Performance and Personal Development – performance appraisal and opportunities for career development
- >> Reactions to the Survey – attitudes toward the survey as a means of communication and getting action

# 6 pre-validated categories

- >> Gender Fairness – harassing and discriminatory practices based on gender are avoided
- >> Quality Initiatives – implementation of programs/practices to enhance the quality of products and/or services
- >> Diversity Management – personal development, training, and promotion to utilize natural talents and assist with special needs
- >> Teamwork – cooperation and success shared by employees working towards a common goal
- >> Change Management – the agency and employees cope with unexpected and major changes without major distress
- >> Visionary Leadership – leaders clearly articulate organizational visions (identifying new products or service areas and seizing new opportunities)

# Normative Comparison

## National Employee Norm (external comparison)

- >> 52,671 employees
- >> Continuously updated (as new data is put in, old data is taken out).  
Last updated January 2007.

## Public Sector Norm (external comparison)

- >> 1,982 Employees
- >> Representing local and national government entities and agencies including full-time, part-time, and contract employees

## Chelan County PUD (internal comparison)

- >> 391 employees in 2005
- >> 406 employees in 2006
- >> 485 employees in 2007

# Structure of the Survey

## Item Response Format and Scoring

- >> The percentage of favorable, neutral, and unfavorable responses
- >> Obtained from a 3-point scale (Agree, Uncertain, Disagree)
- >> Favorable response is not always Agree. For example: “My job is frequently dull and monotonous.”

# Survey Administration

January 11 – January 21, 2005 = 391

February 20 – March 13, 2006 = 406

February 26 – March 14, 2007 = 485

- >> Administered online via a secure internet connection and hosted on Vangent servers
- >> All employees were asked to complete the survey via an all employee e-mail
- >> Confidentiality and anonymity were given high priority
- >> The results are accurate within +/-2% at the 95% confidence level

# Respondent Anonymity

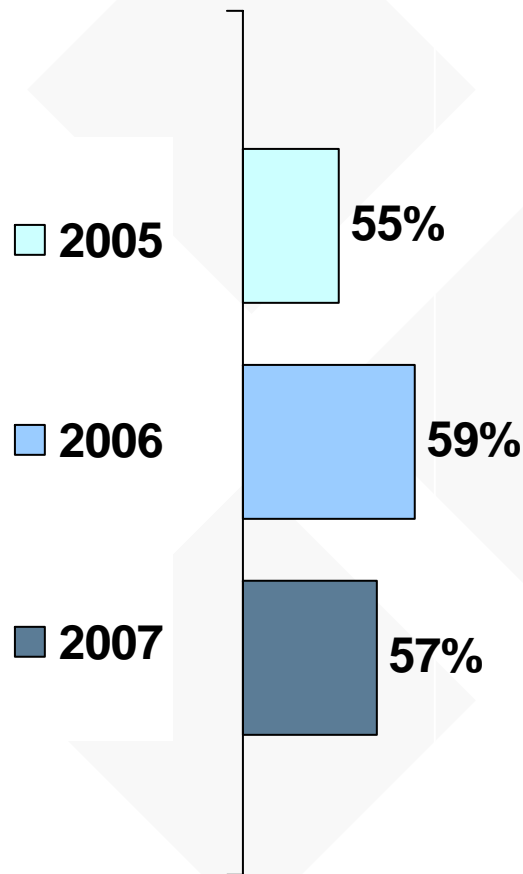
- >> Demographic information was not required
- >> Respondents could take the survey on their work computer or at an off-site location
- >> Survey data was collected by an outside vendor with no relationship to Chelan County PUD or its affiliates
- >> The survey was set-up to NOT collect “cookie” information from computers
- >> Given the priority of anonymity, there is a possibility for duplicate submissions

# Respondent Confidentiality

- >> Responses are available to a select group of Industrial Organizational Psychologists at Vangent for compilation purposes only
- >> Responses are kept in a secure environment and are kept separate from the survey content
- >> Open-ended comments are reported back with identifying information deleted
- >> Survey results and comments are reported for groups of 8 employees or more
- >> No individual responses are reported

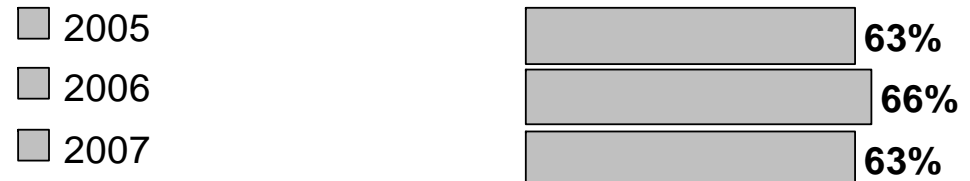
# Yearly Comparison: Average Percent Favorable Across Categories

## Overall Favorable Across all Items

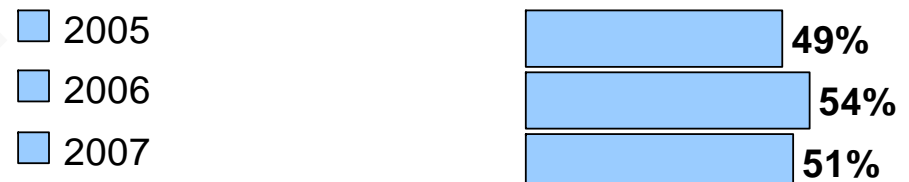


## Favorable by Category

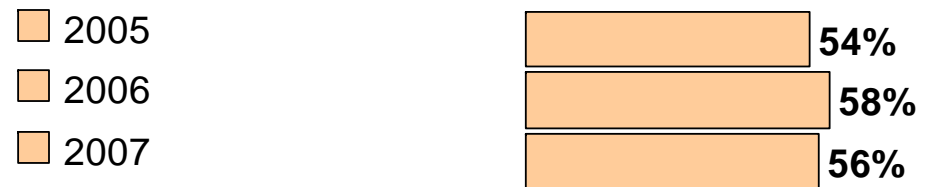
### Morale Categories



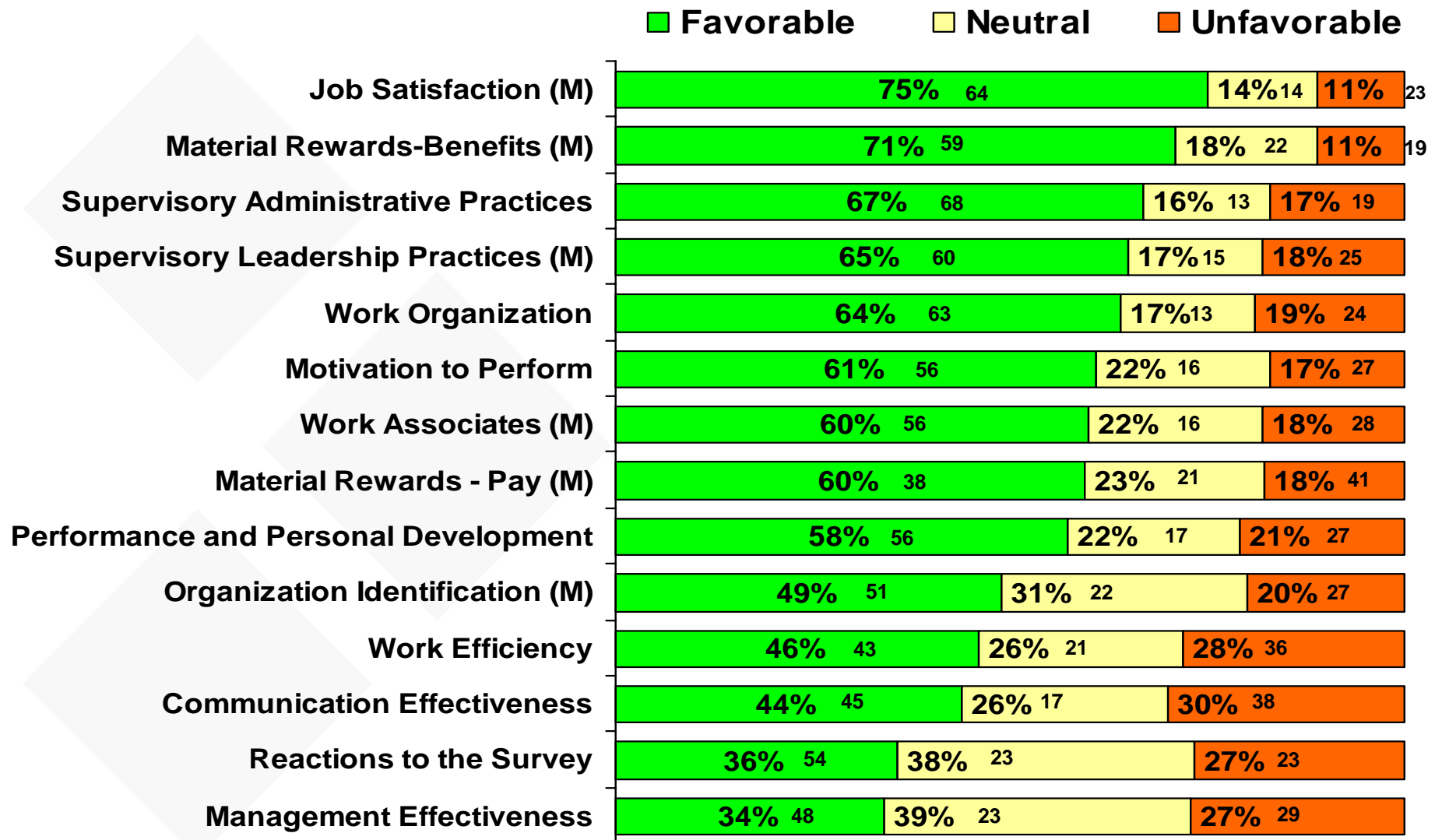
### Effectiveness Categories



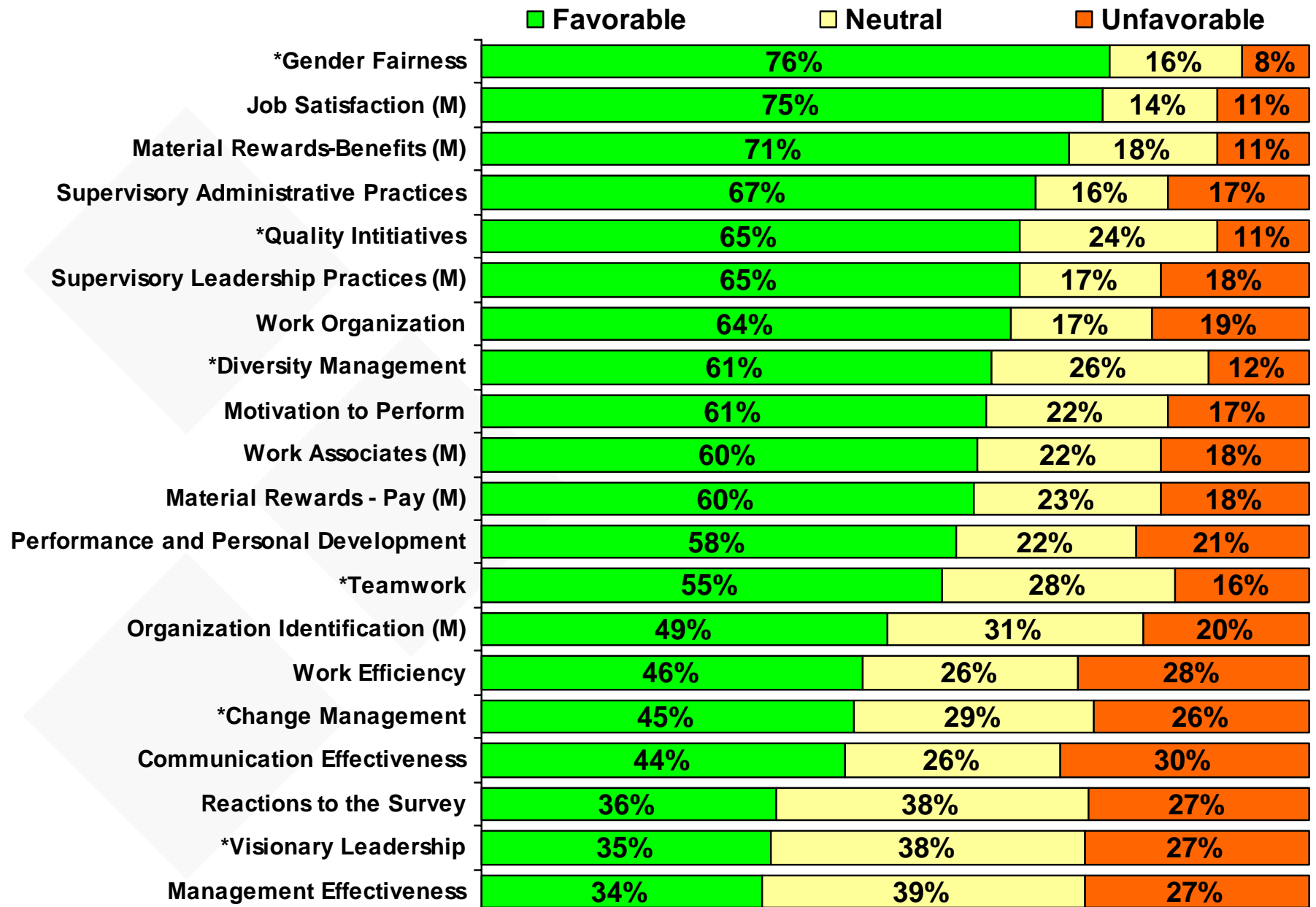
### Custom Categories



# Internal Comparison: Category Ranking Report (Core)



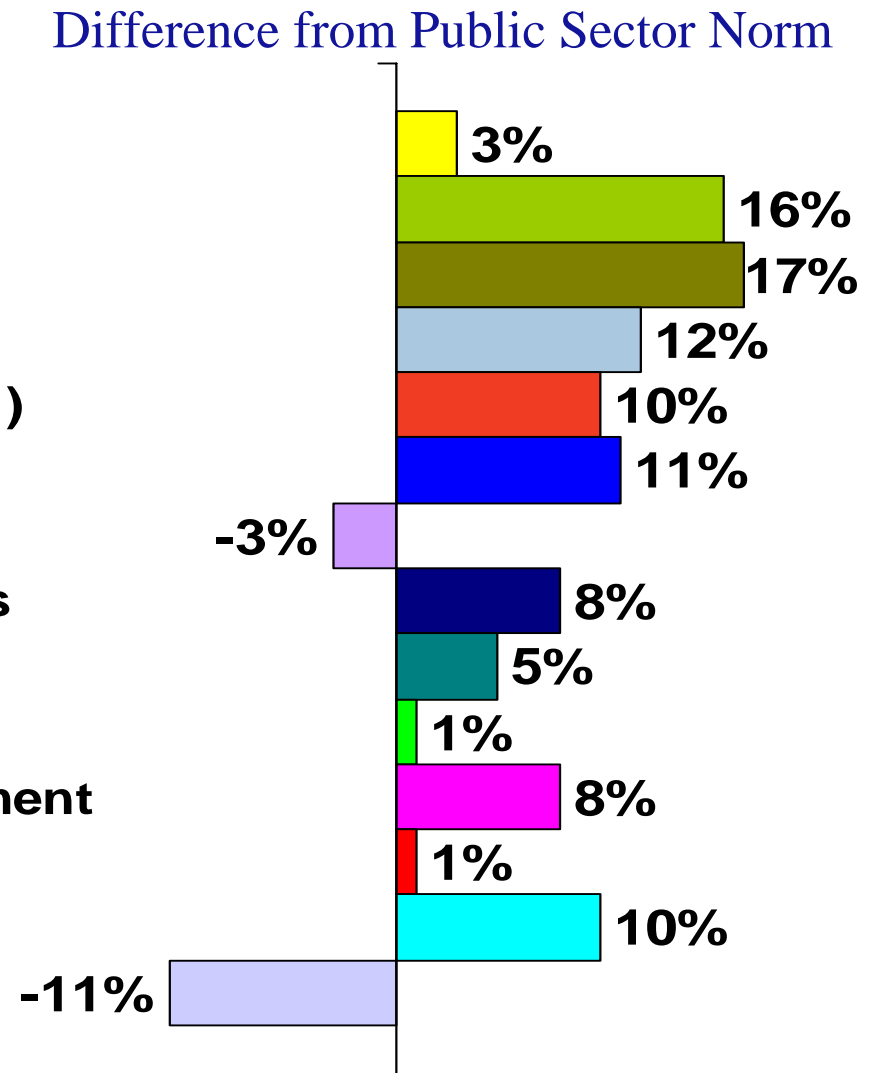
# Internal Comparison: Category Ranking Report



# External Comparison: Public Sector Norm

## Category Difference Report

- Organization Identification (M)
- Job Satisfaction (M)
- Material Rewards - Pay (M)
- Material Rewards-Benefits (M)
- Supervisory Leadership Practices (M)
- Work Associates (M)
- Management Effectiveness
- Supervisory Administrative Practices
- Work Organization
- Work Efficiency
- Performance and Personal Development
- Communication Effectiveness
- Motivation to Perform
- Reactions to the Survey

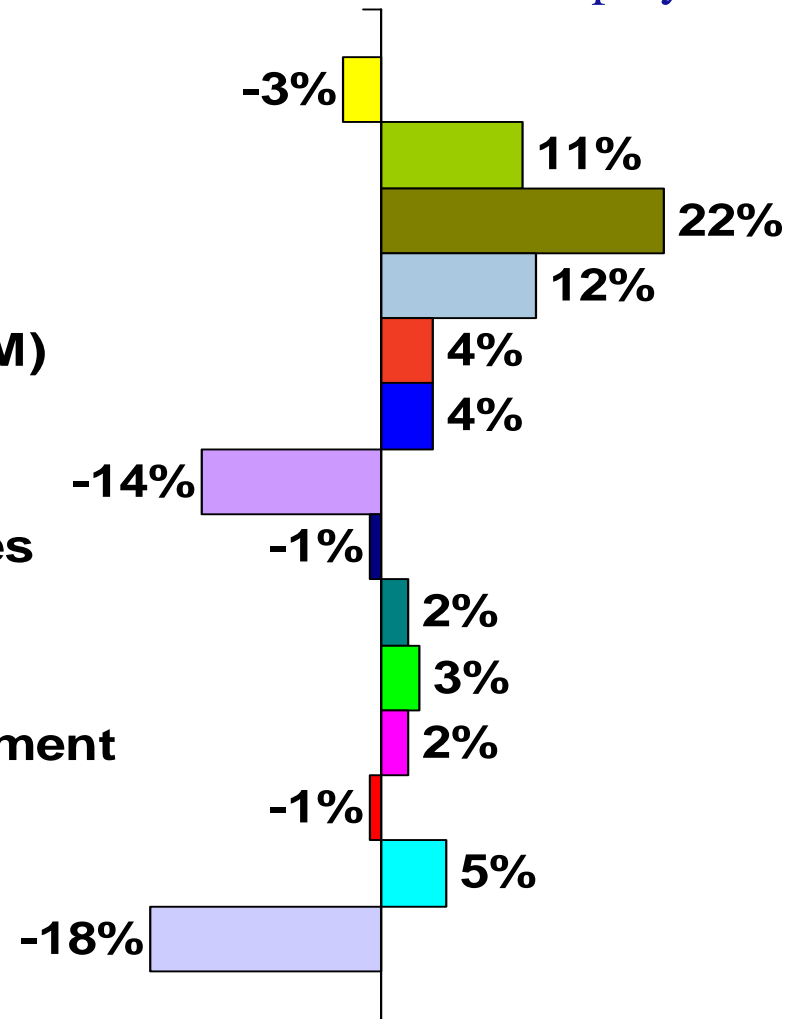


# External Comparison: National Employee Norm

## Category Difference Report

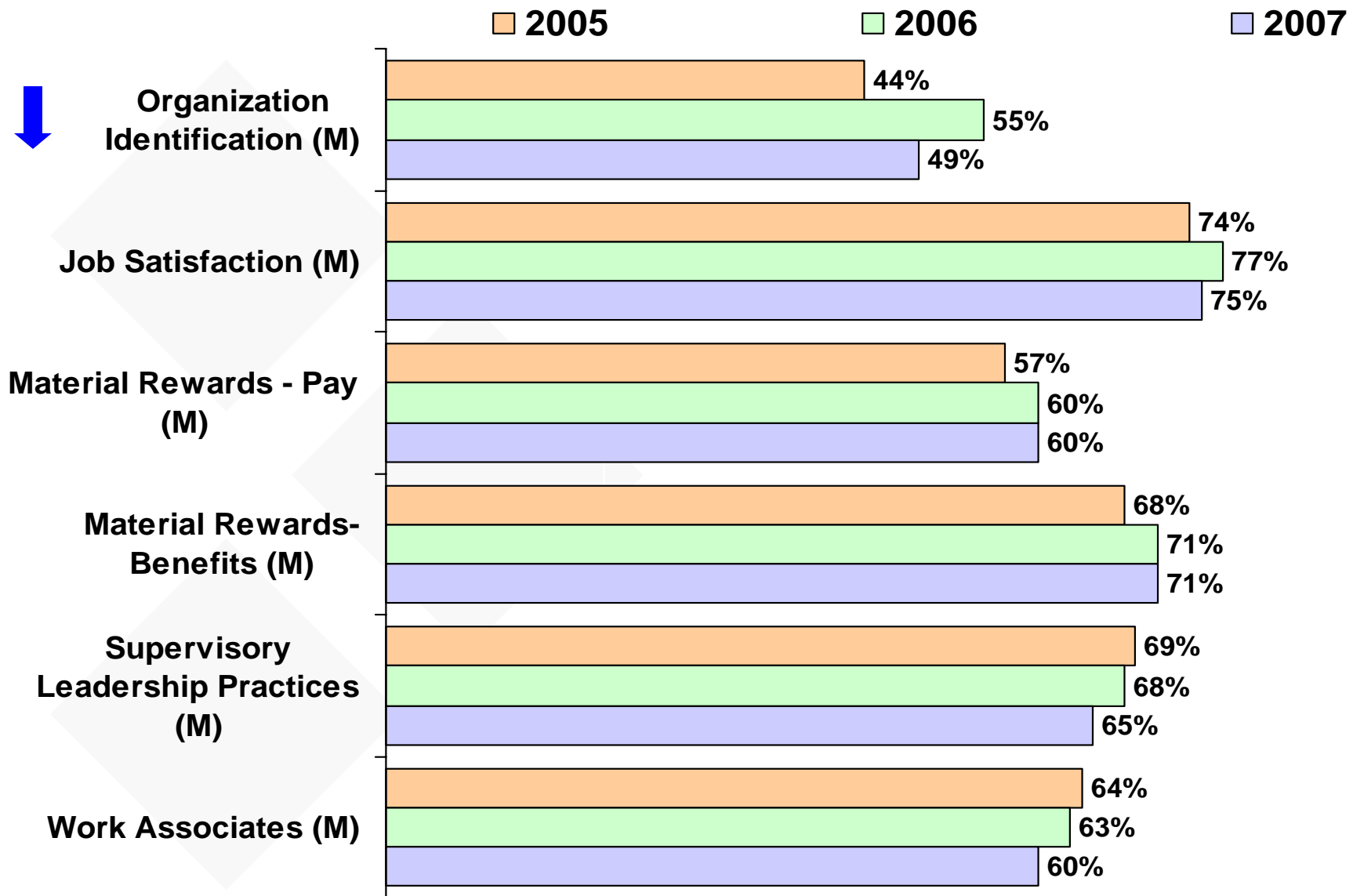
Difference from National Employee Norm

- Organization Identification (M)
- Job Satisfaction (M)
- Material Rewards - Pay (M)
- Material Rewards-Benefits (M)
- Supervisory Leadership Practices (M)
- Work Associates (M)
- Management Effectiveness
- Supervisory Administrative Practices
- Work Organization
- Work Efficiency
- Performance and Personal Development
- Communication Effectiveness
- Motivation to Perform
- Reactions to the Survey



# Yearly Comparison

# (Morale Categories)



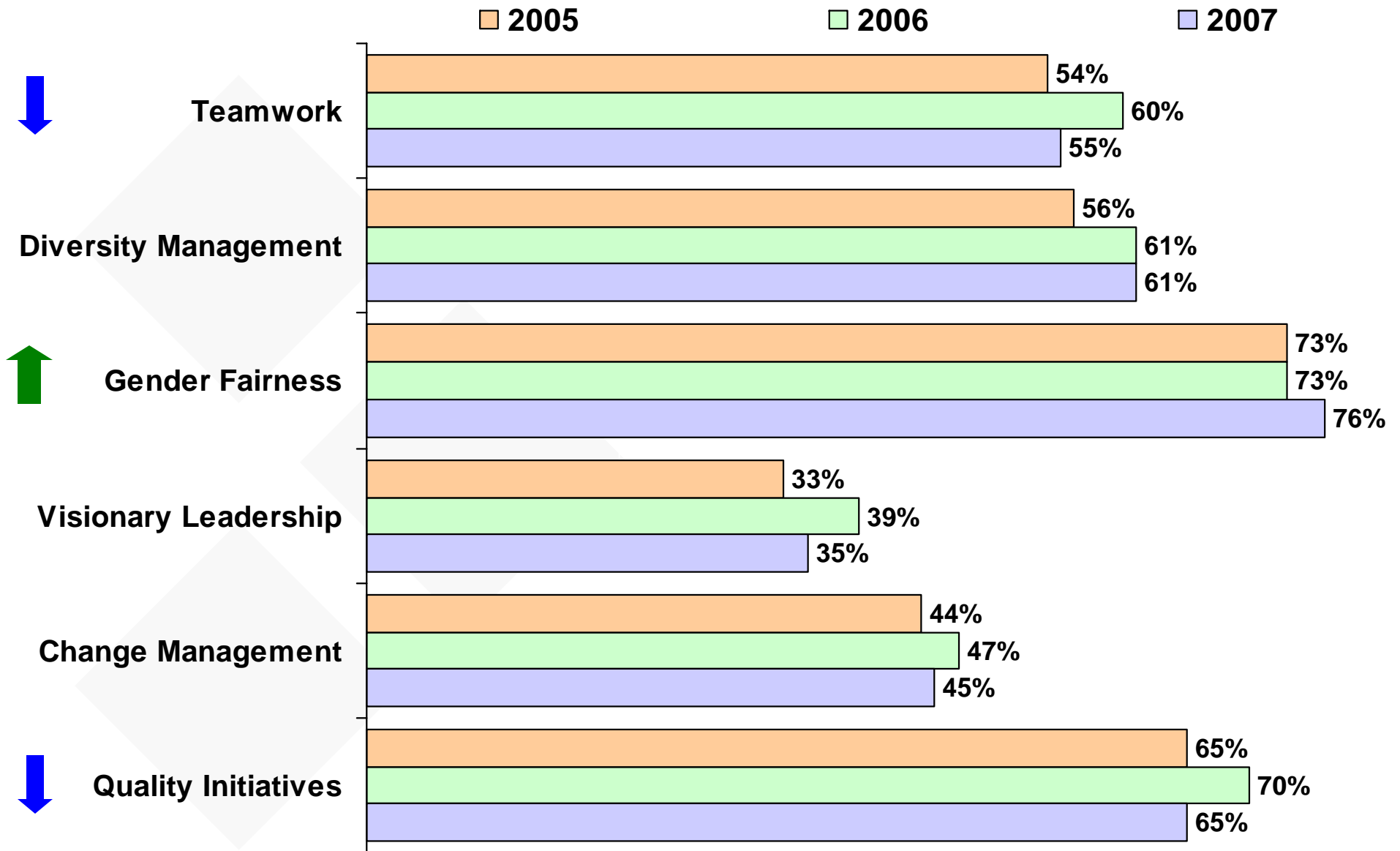
# Yearly Comparison

# (Effectiveness Categories)

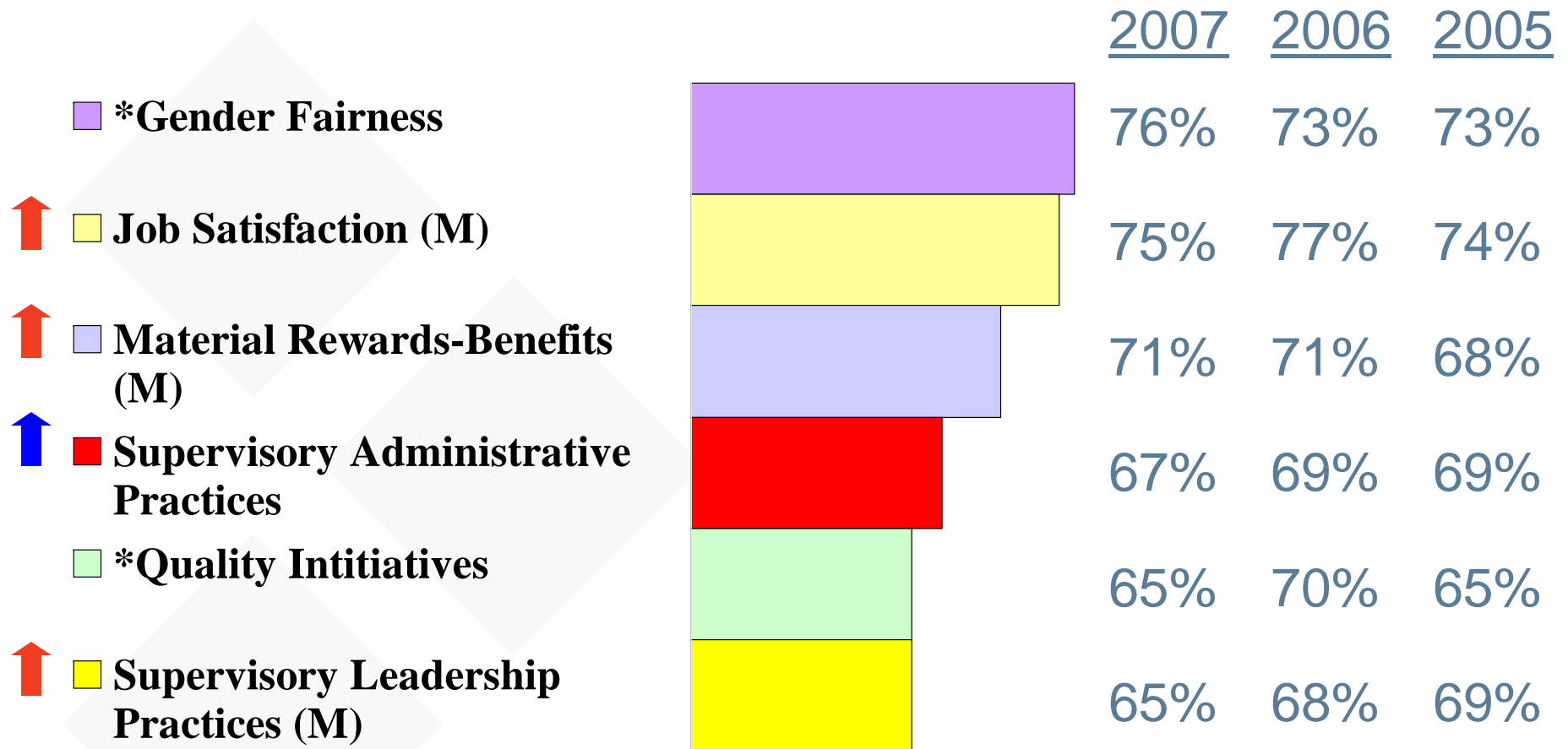


# Yearly Comparison

# (Custom Categories)



# Most Favorable Categories 2007

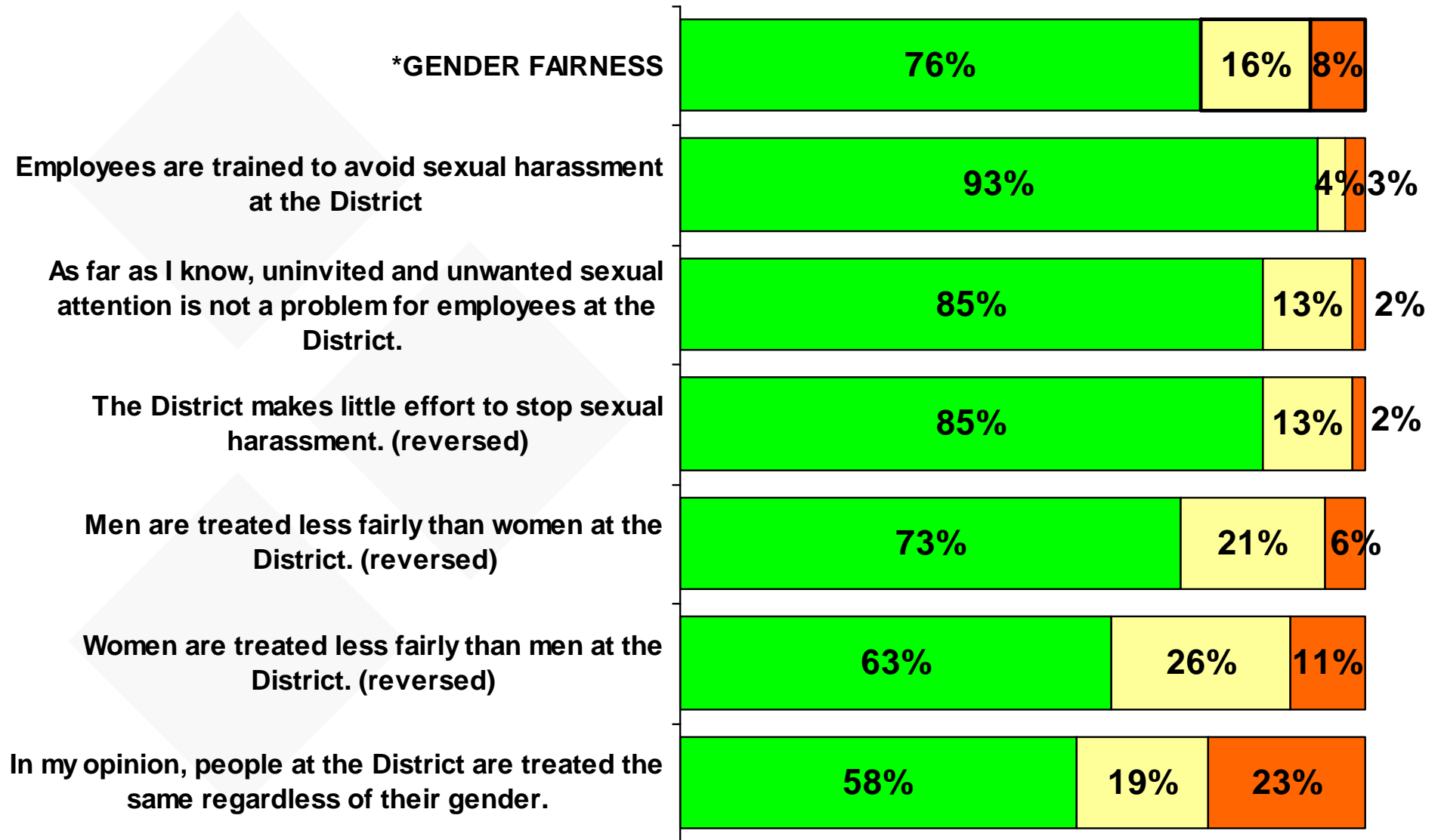


(M) Morale Factor    \* Custom Categories

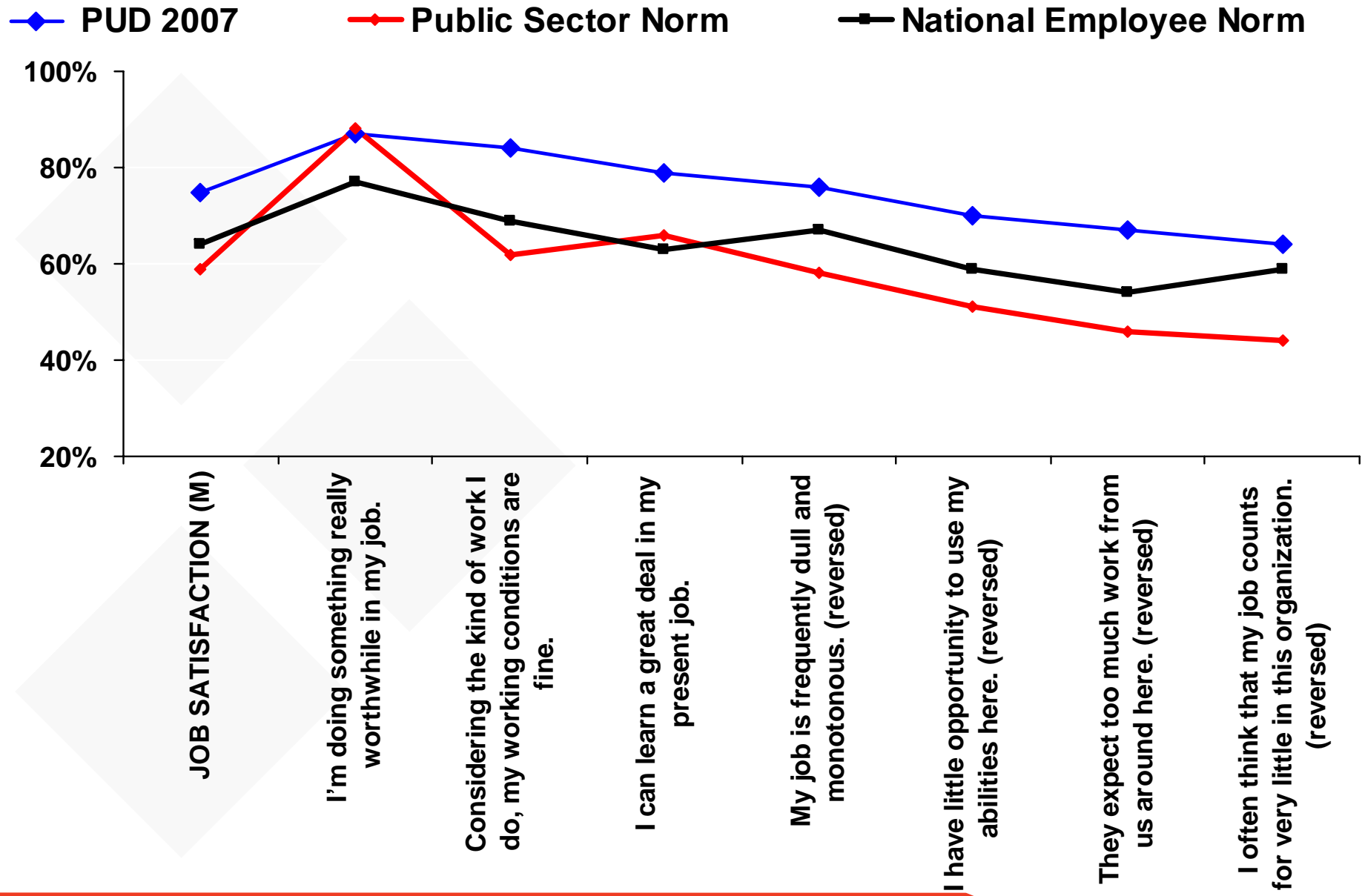


# Item Detail – Gender Fairness

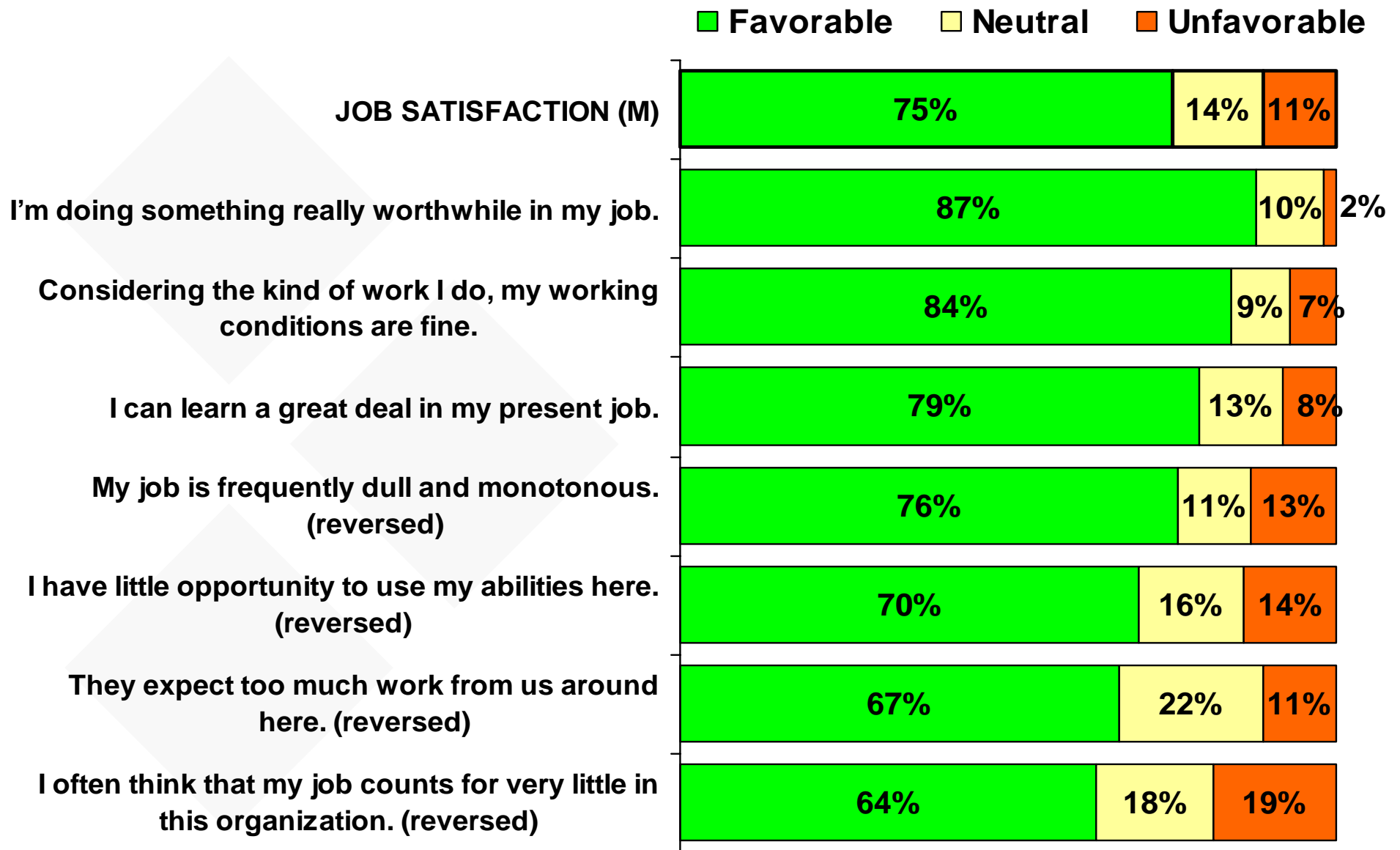
■ Favorable
 ■ Neutral
 ■ Unfavorable



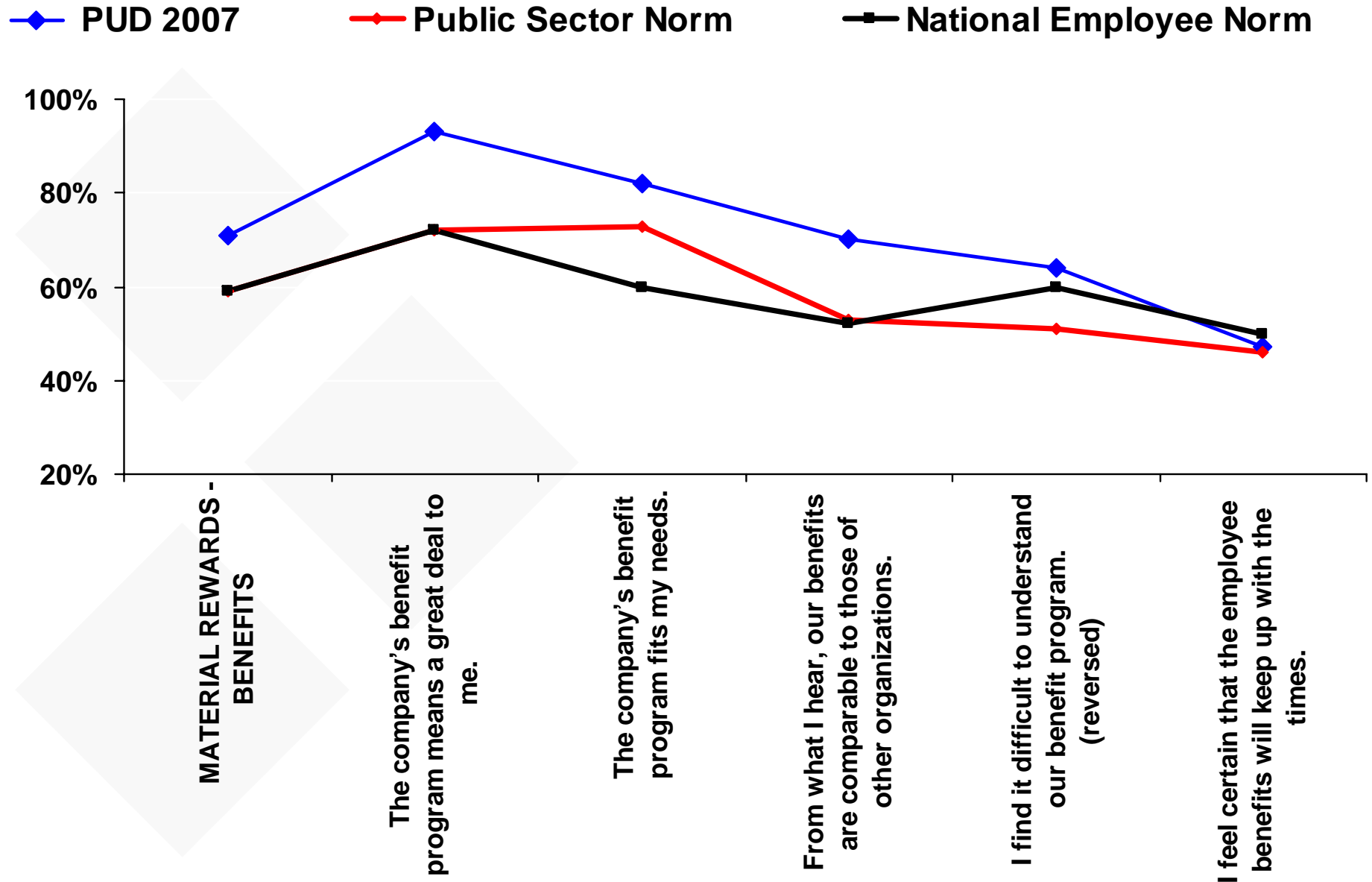
# Job Satisfaction



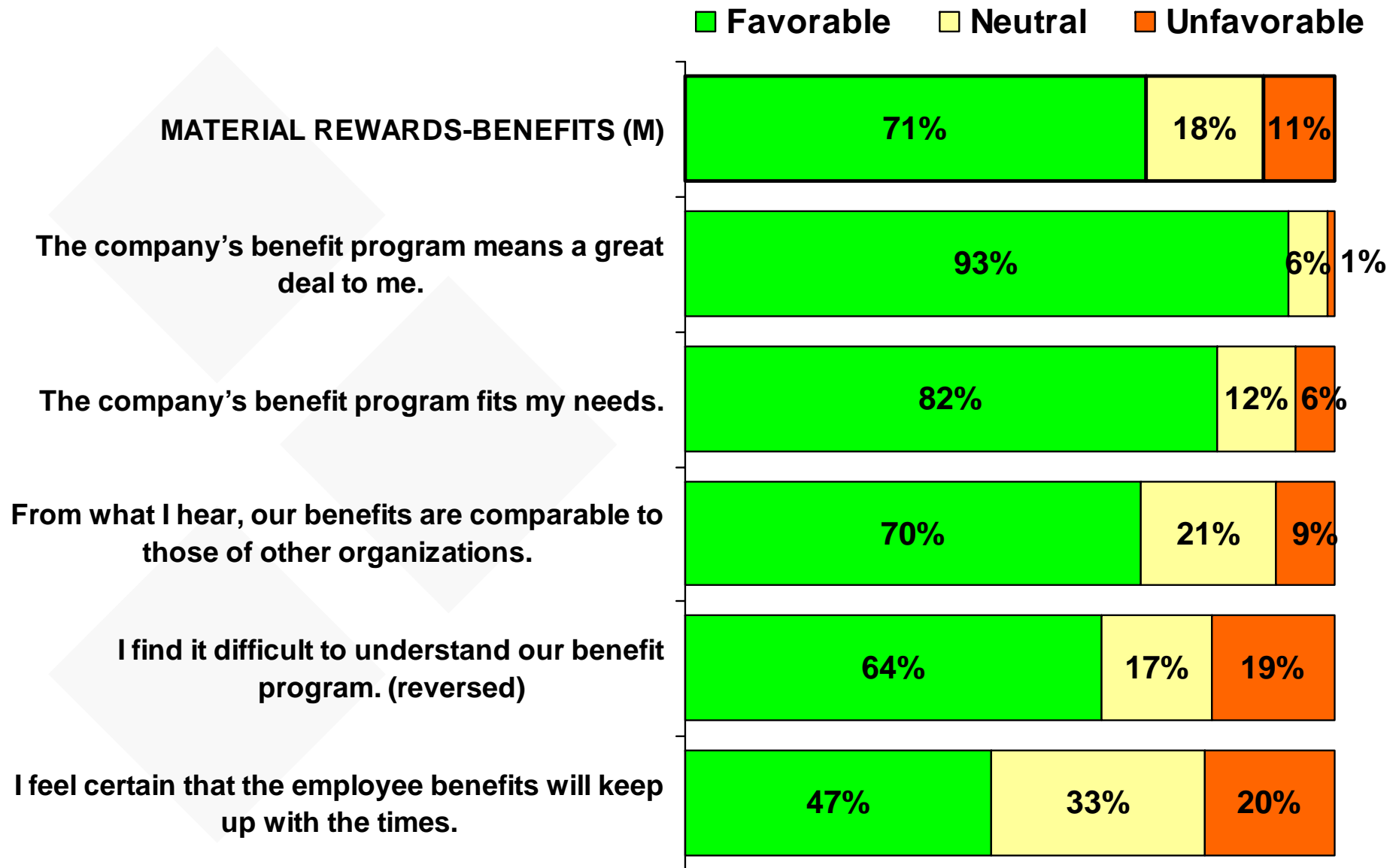
# Item Detail – Job Satisfaction



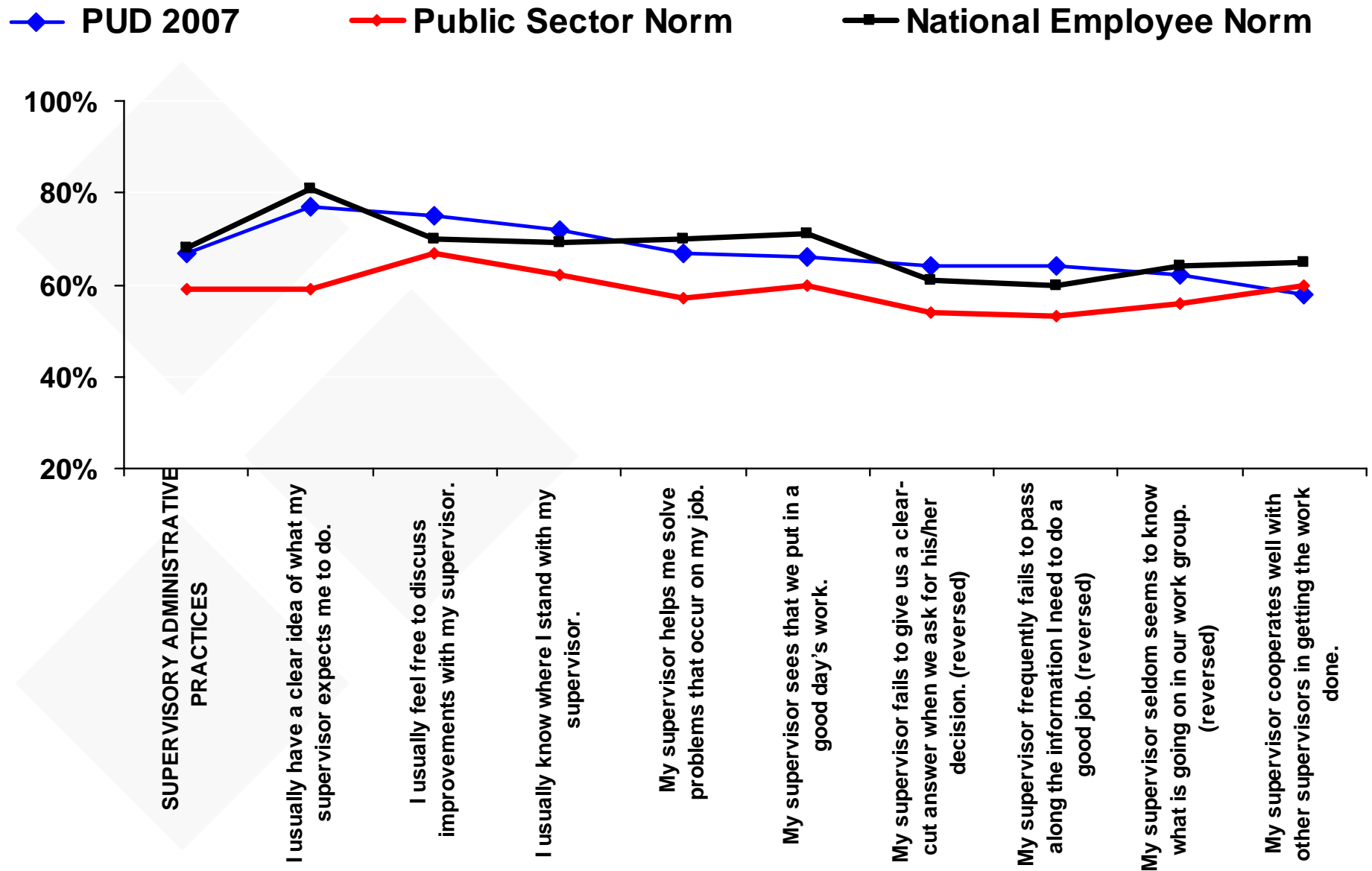
# Material Rewards – Benefits



# Item Detail – Material Rewards – Benefits

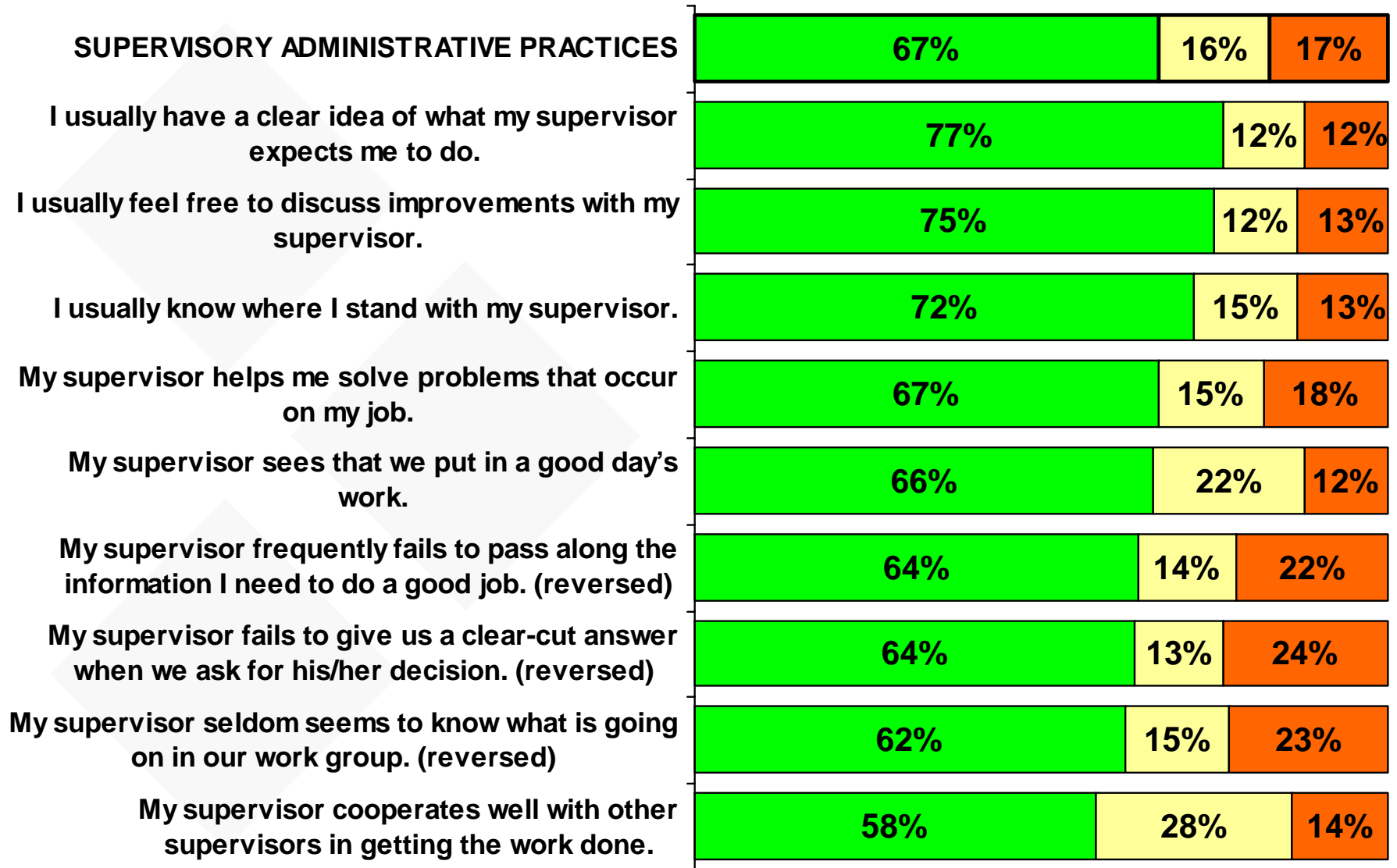


# Supervisory Administrative Practices



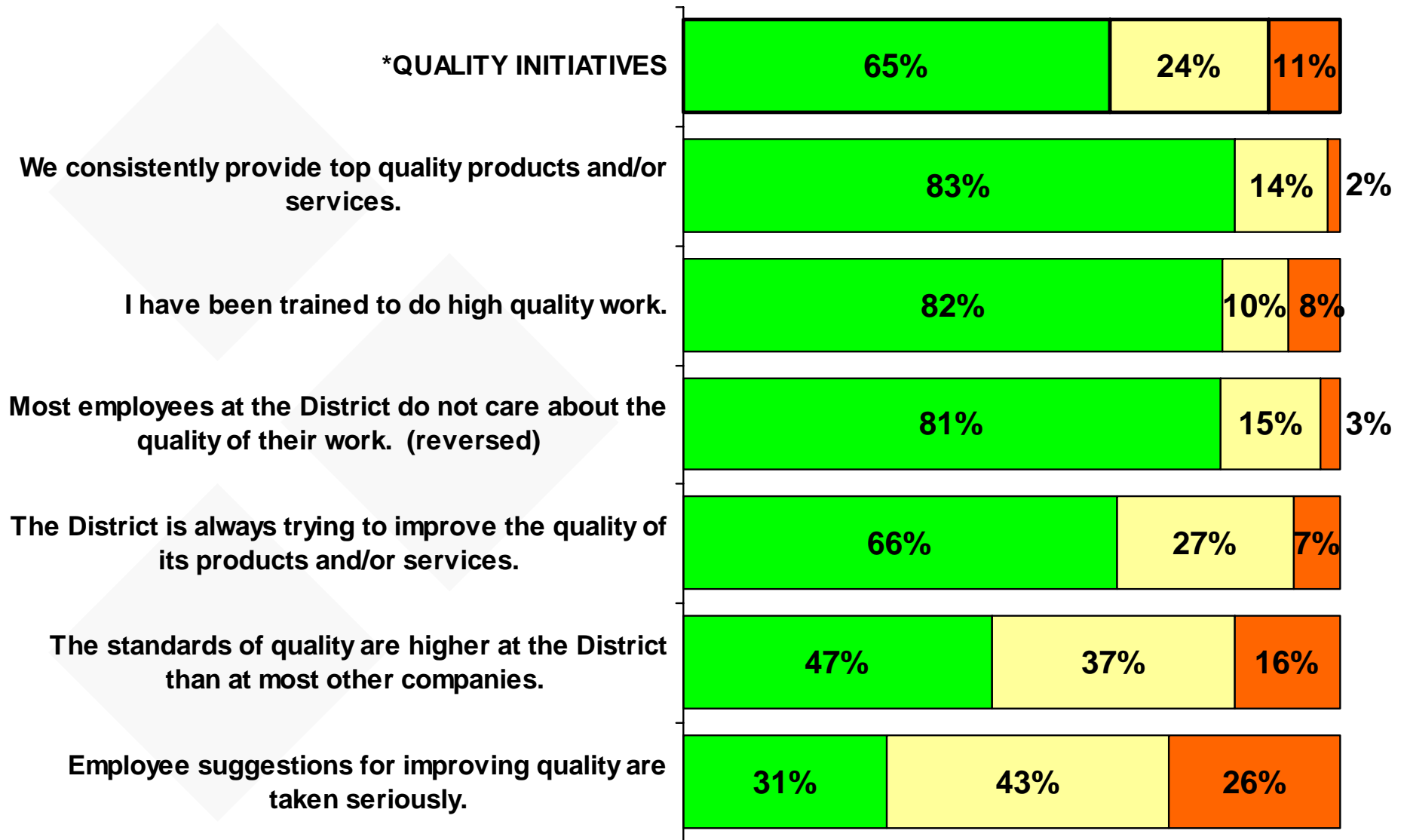
# Item Detail – Supervisory Administrative Practices

■ Favorable
 ■ Neutral
 ■ Unfavorable



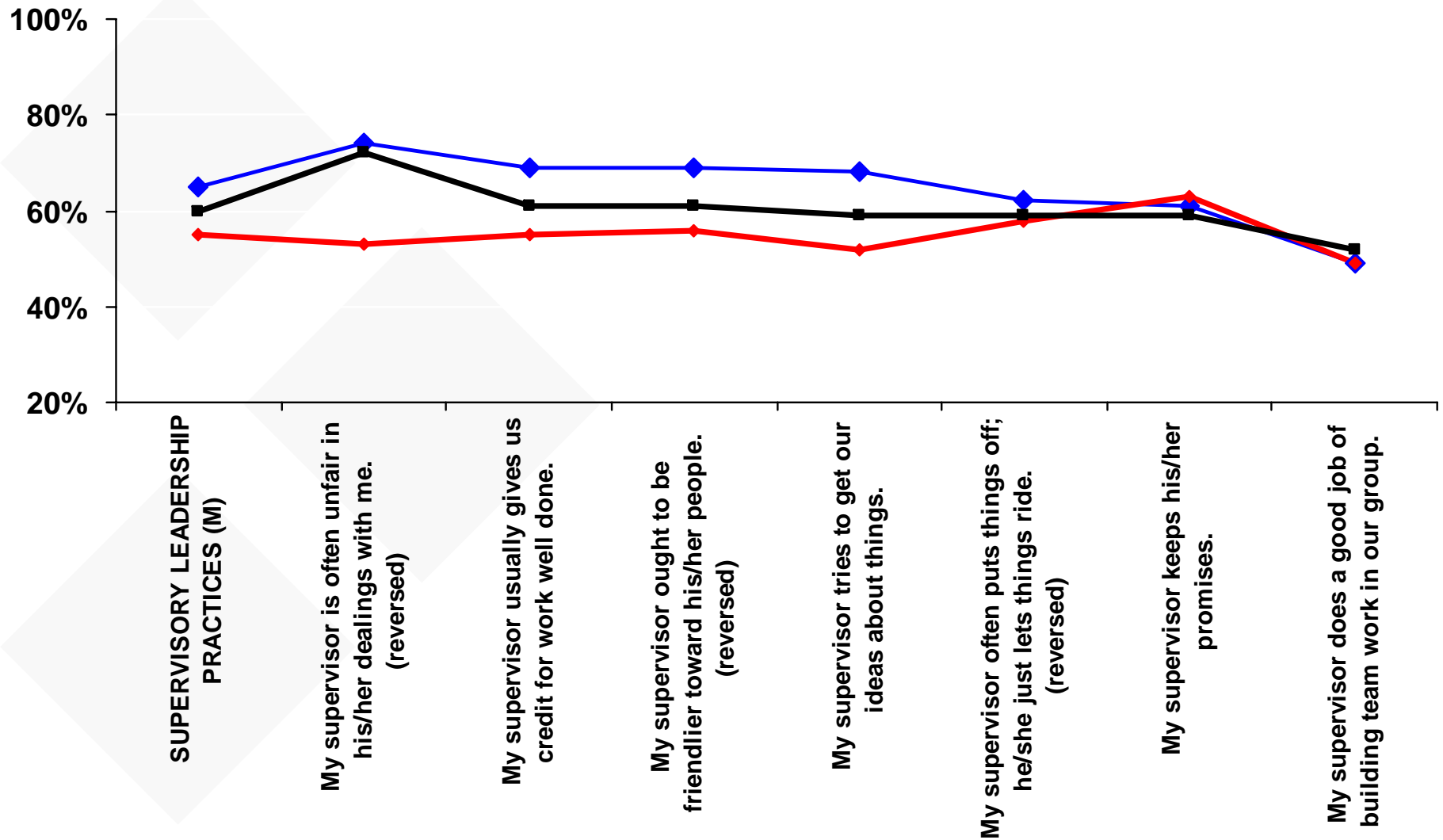
# Item Detail – Quality Initiatives

■ Favorable
 ■ Neutral
 ■ Unfavorable



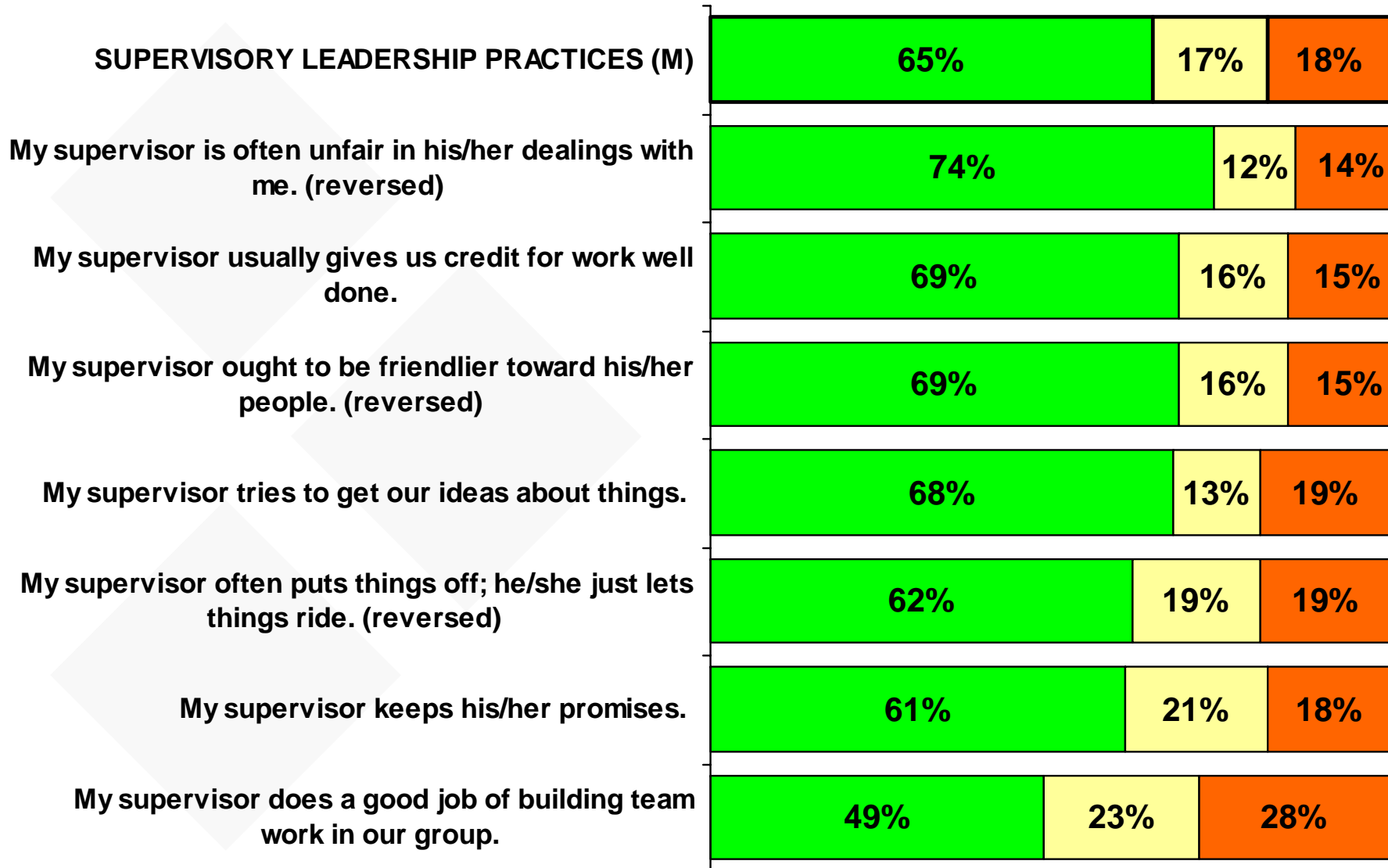
# Supervisory Leadership Practices (M)

◆ PUD 2007      ◆ Public Sector Norm      ■ National Employee Norm

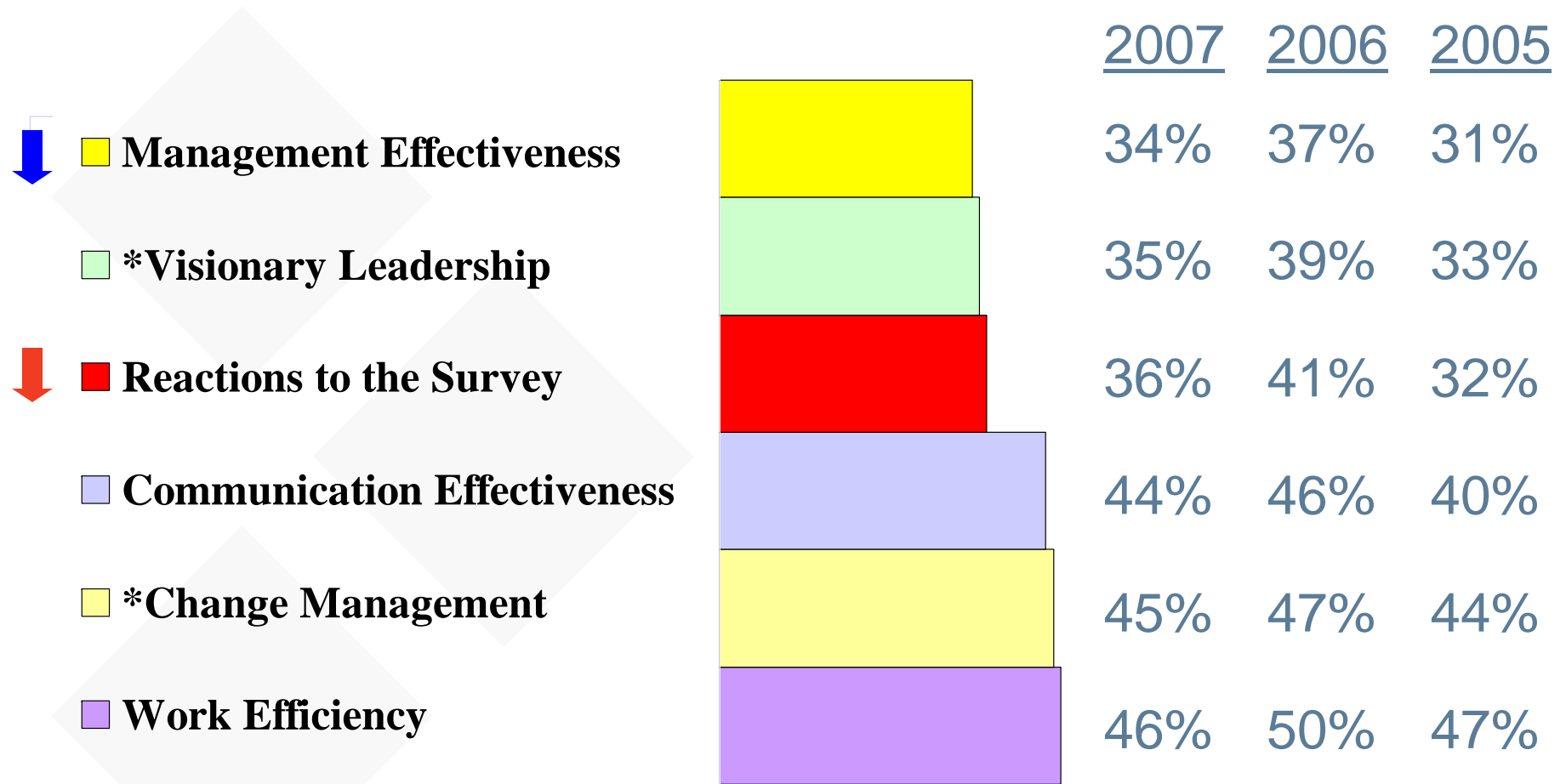


# Item Detail – Supervisory Leadership Practices

■ Favorable
 ■ Neutral
 ■ Unfavorable

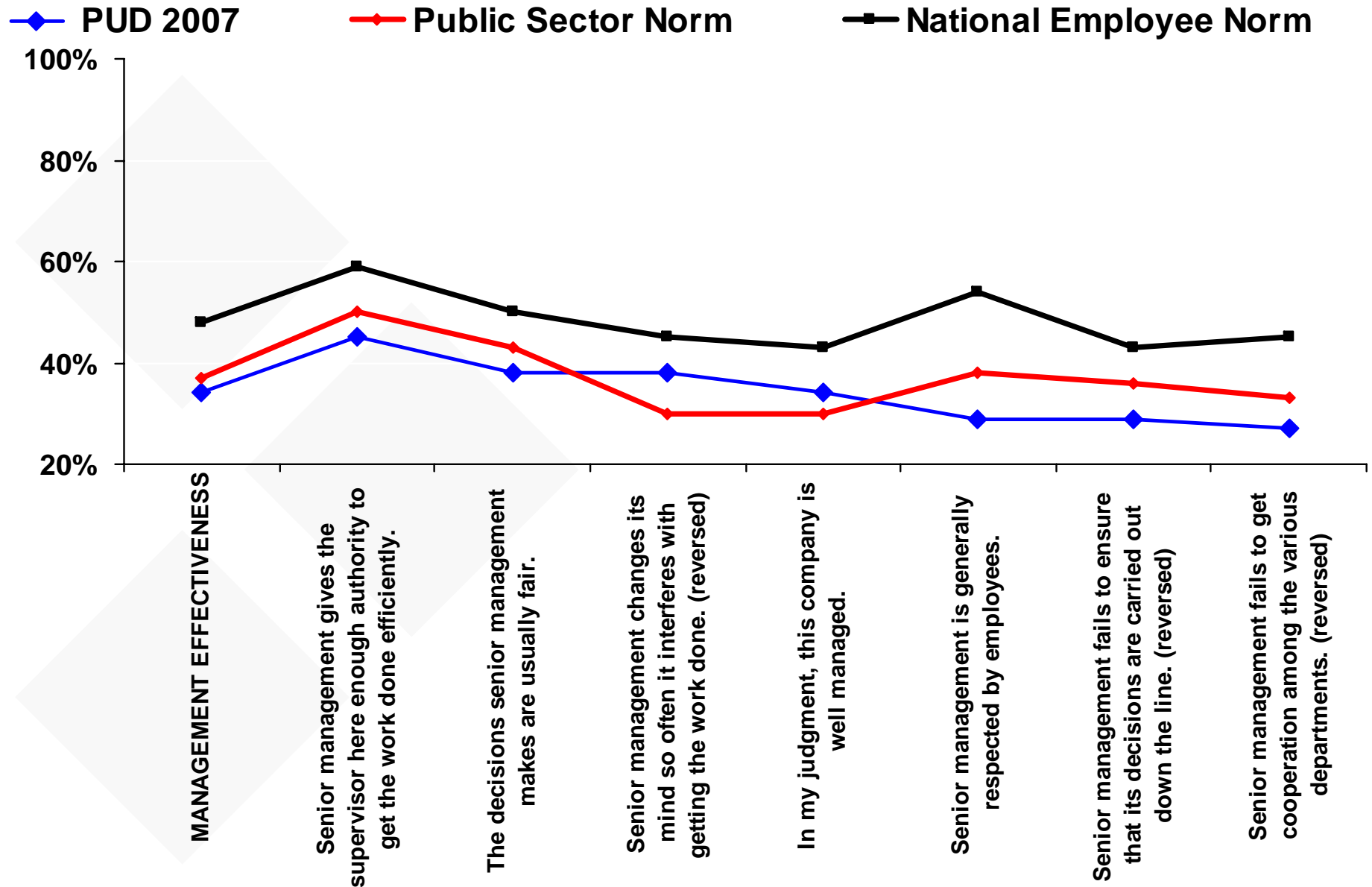


# Least Favorable Categories 2007



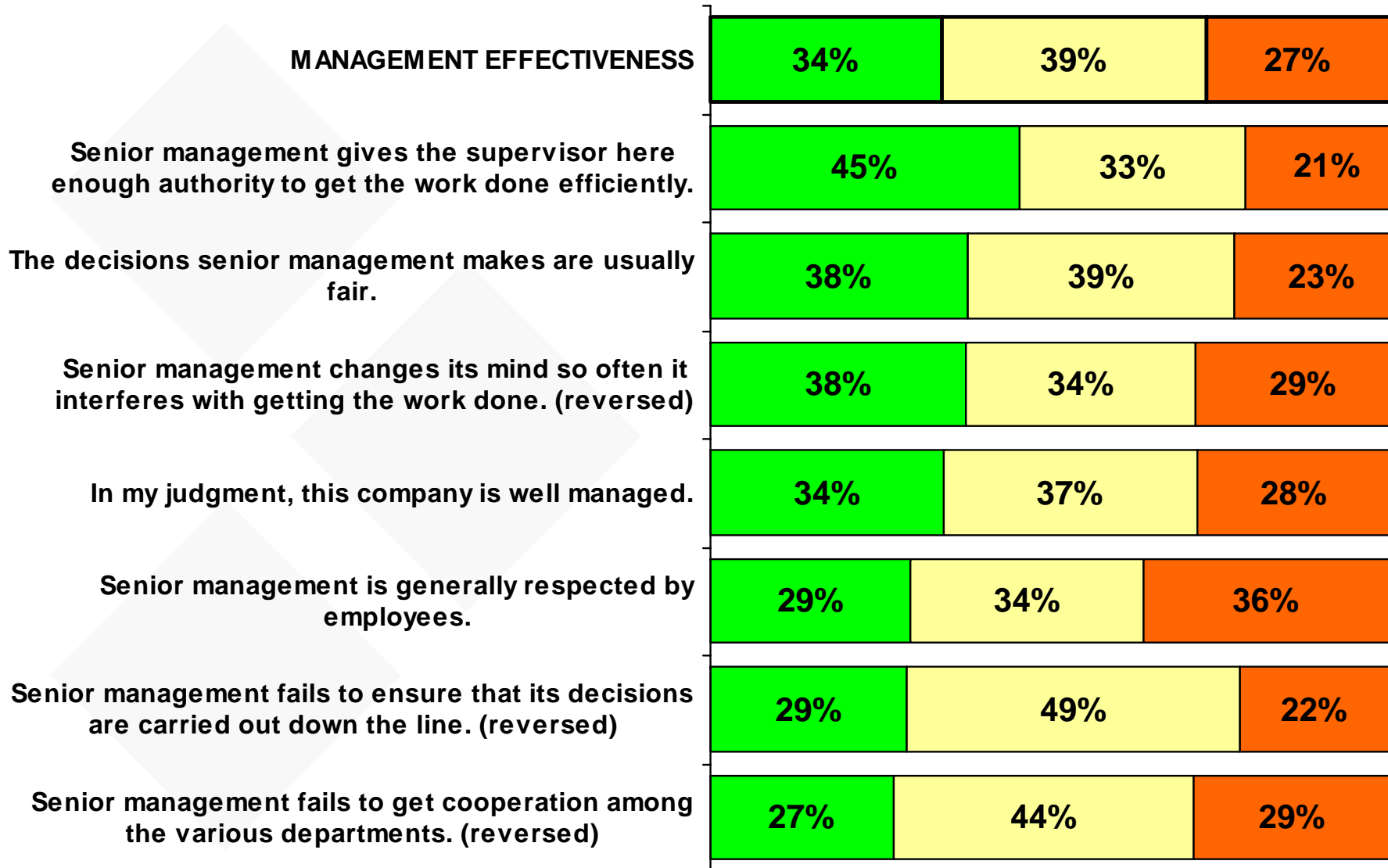
(M) Morale Factor \* Custom Categories

# Management Effectiveness



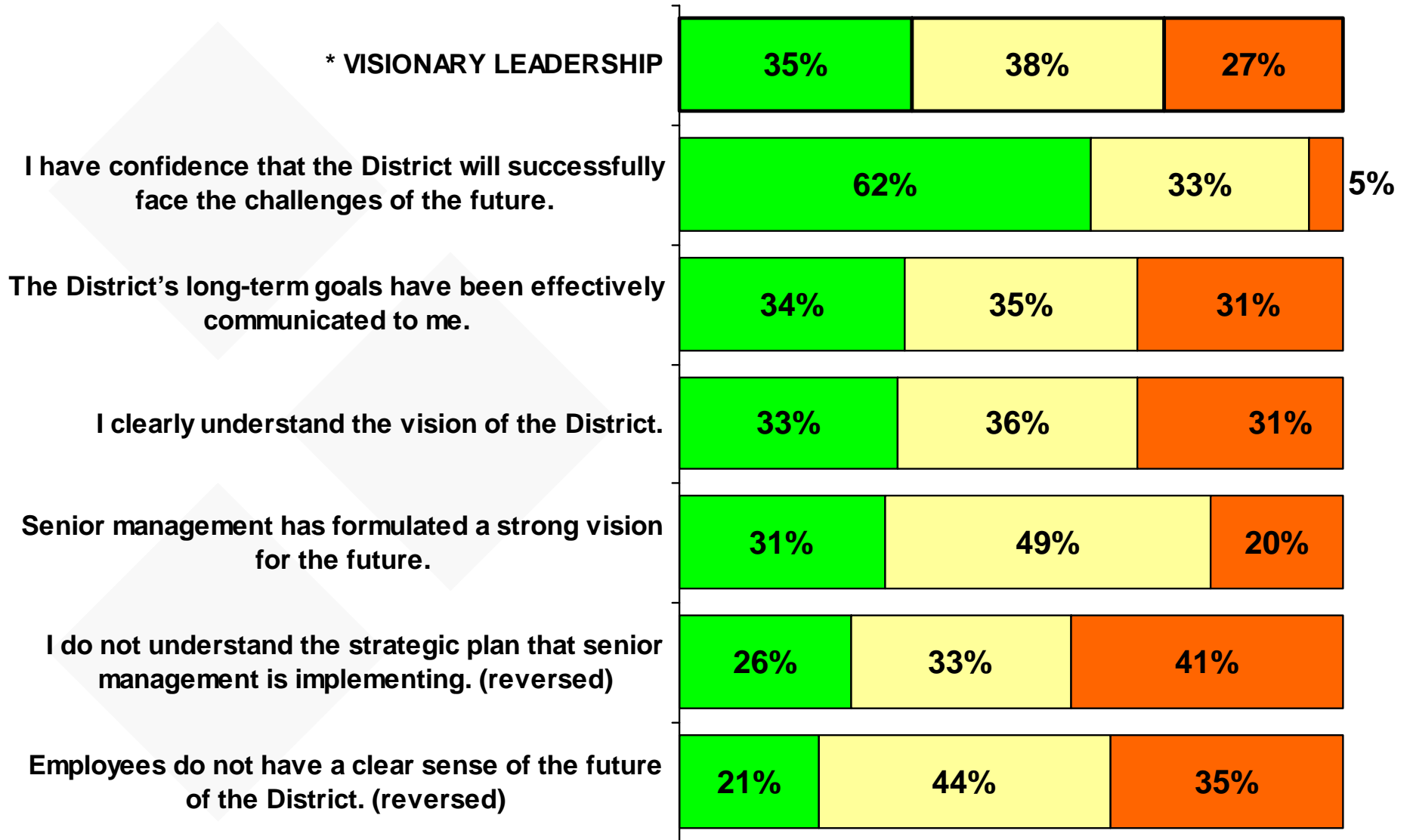
# Item Detail – Management Effectiveness

■ Favorable
 ■ Neutral
 ■ Unfavorable

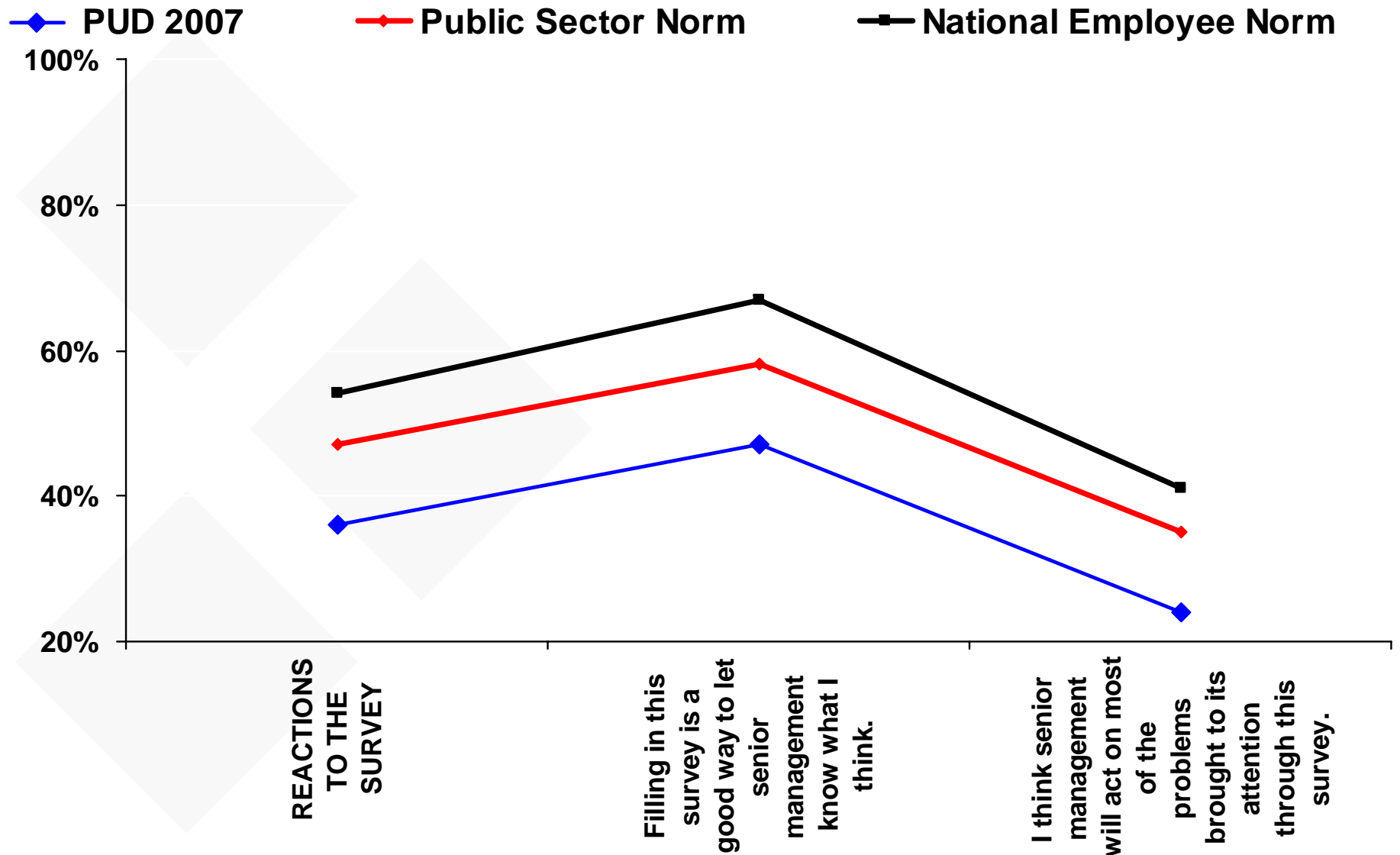


# Item Detail – Visionary Leadership

■ Favorable
 ■ Neutral
 ■ Unfavorable



# Reaction to the Survey



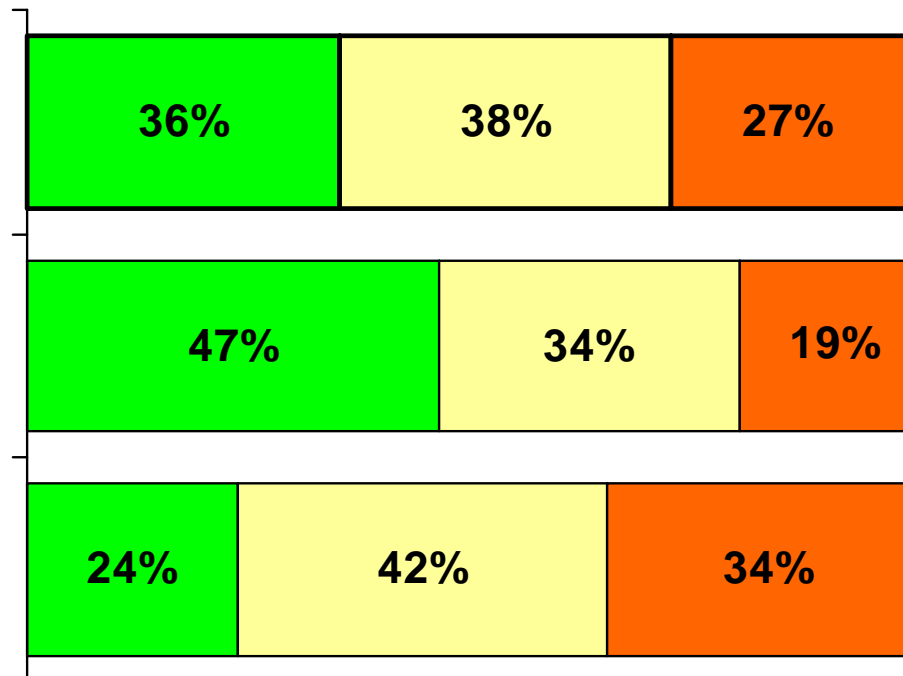
# Item Detail – Reactions to the Survey

## REACTIONS TO THE SURVEY

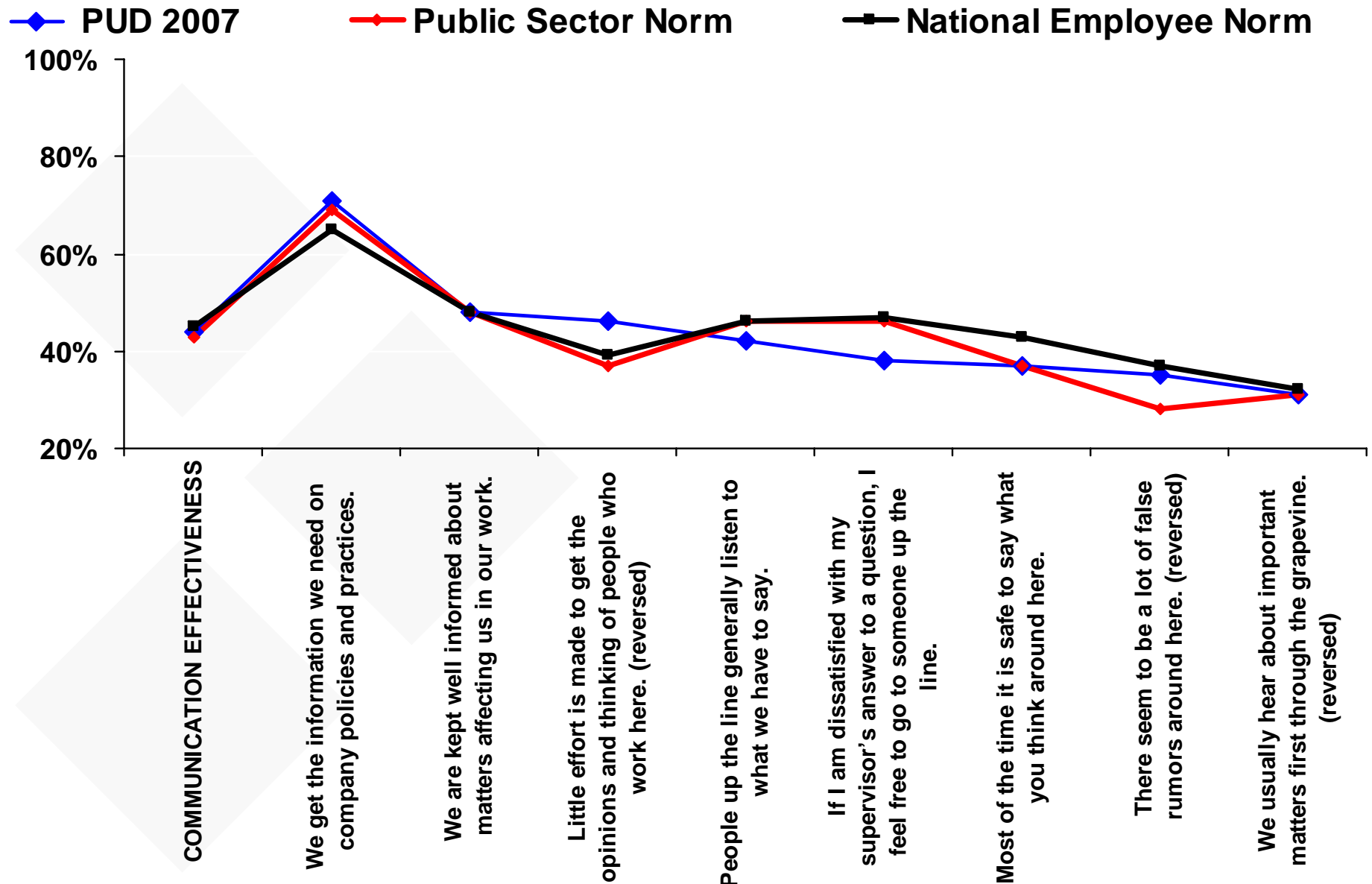
■ Favorable   ■ Neutral   ■ Unfavorable

Filling in this survey is a good way to let senior management know what I think.

I think senior management will act on most of the problems brought to its attention through this survey.

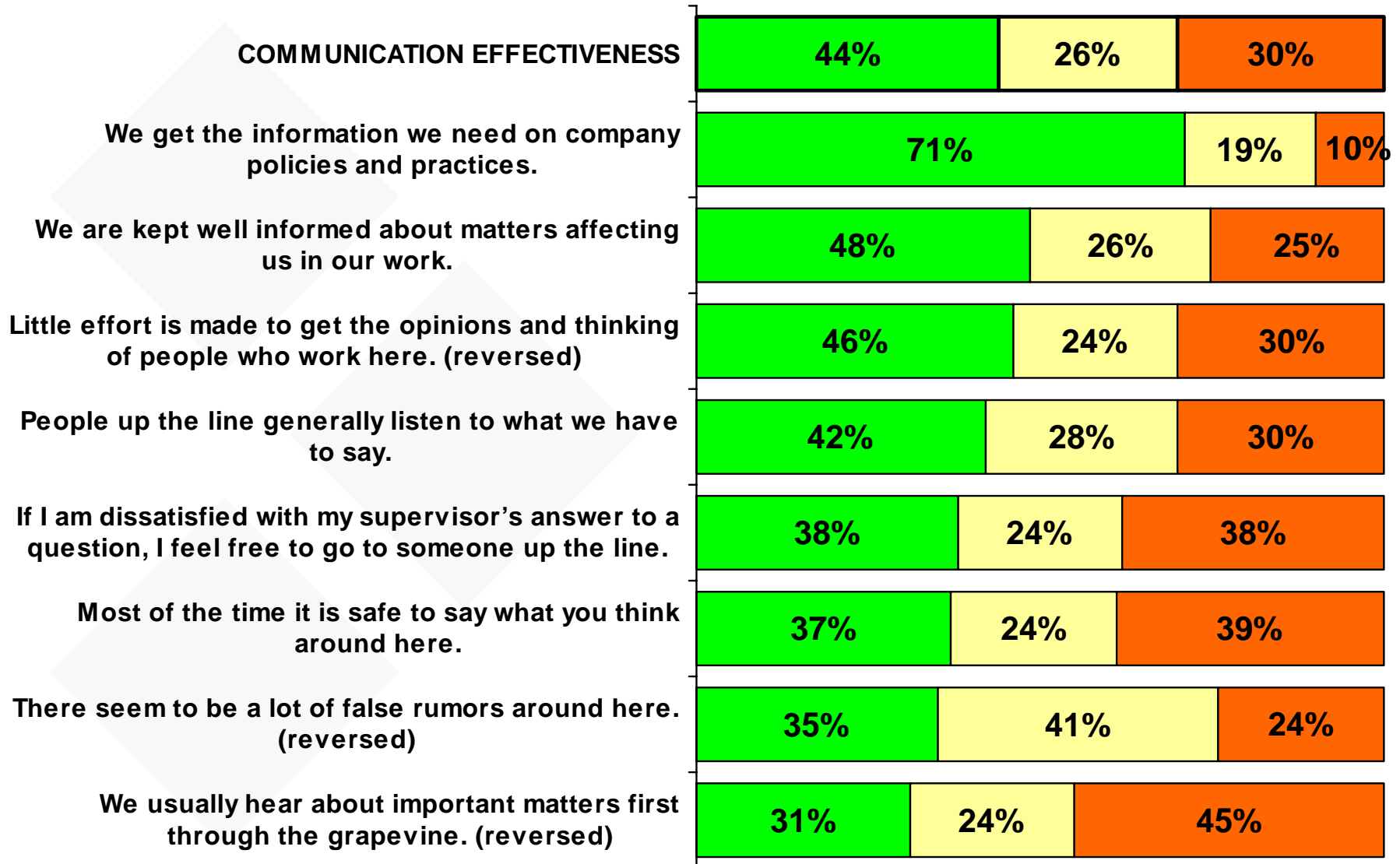


# Communication Effectiveness



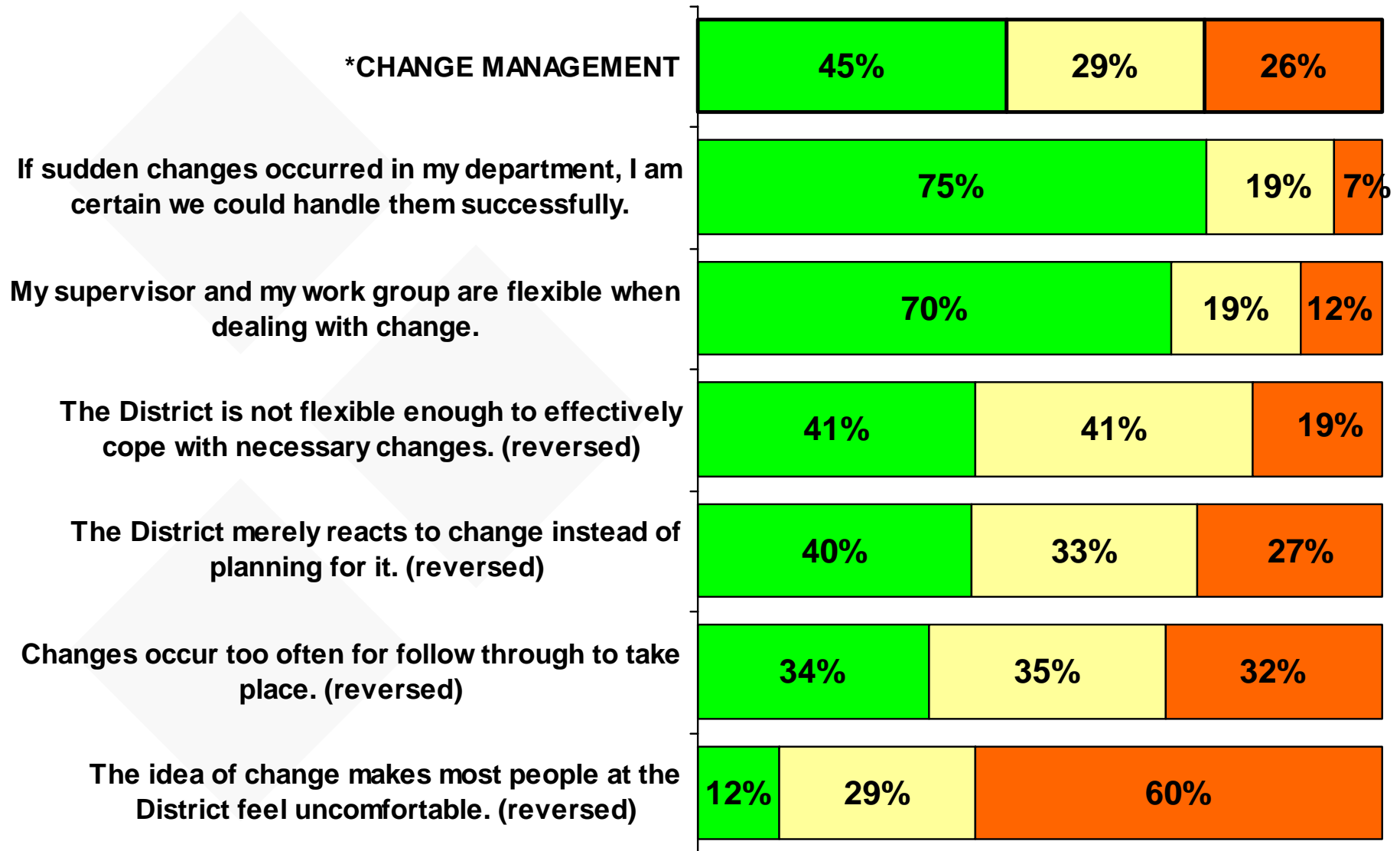
# Item Detail – Communication Effectiveness

■ Favorable
 ■ Neutral
 ■ Unfavorable

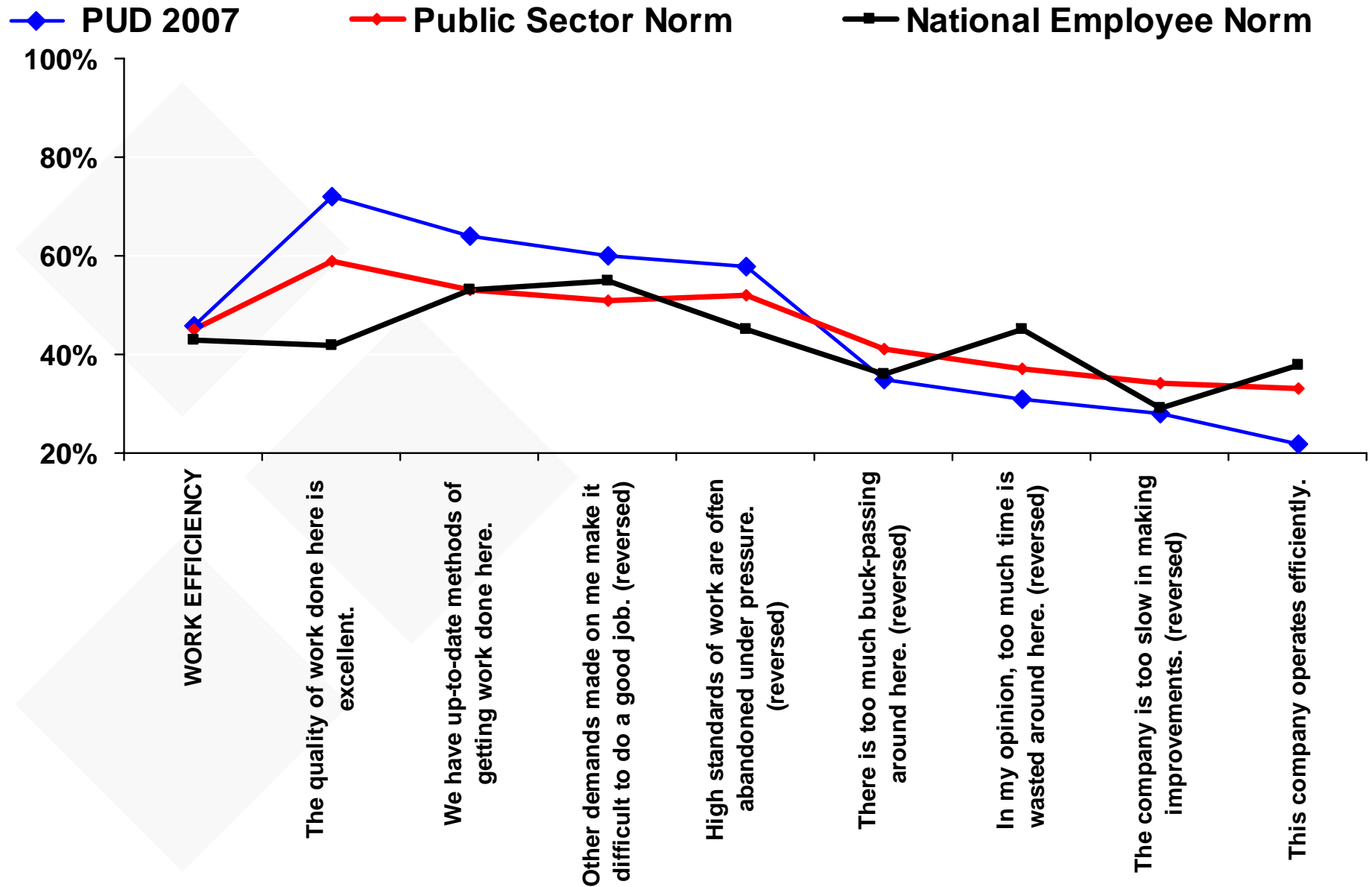


# Item Detail – Change Management

■ Favorable
 ■ Neutral
 ■ Unfavorable

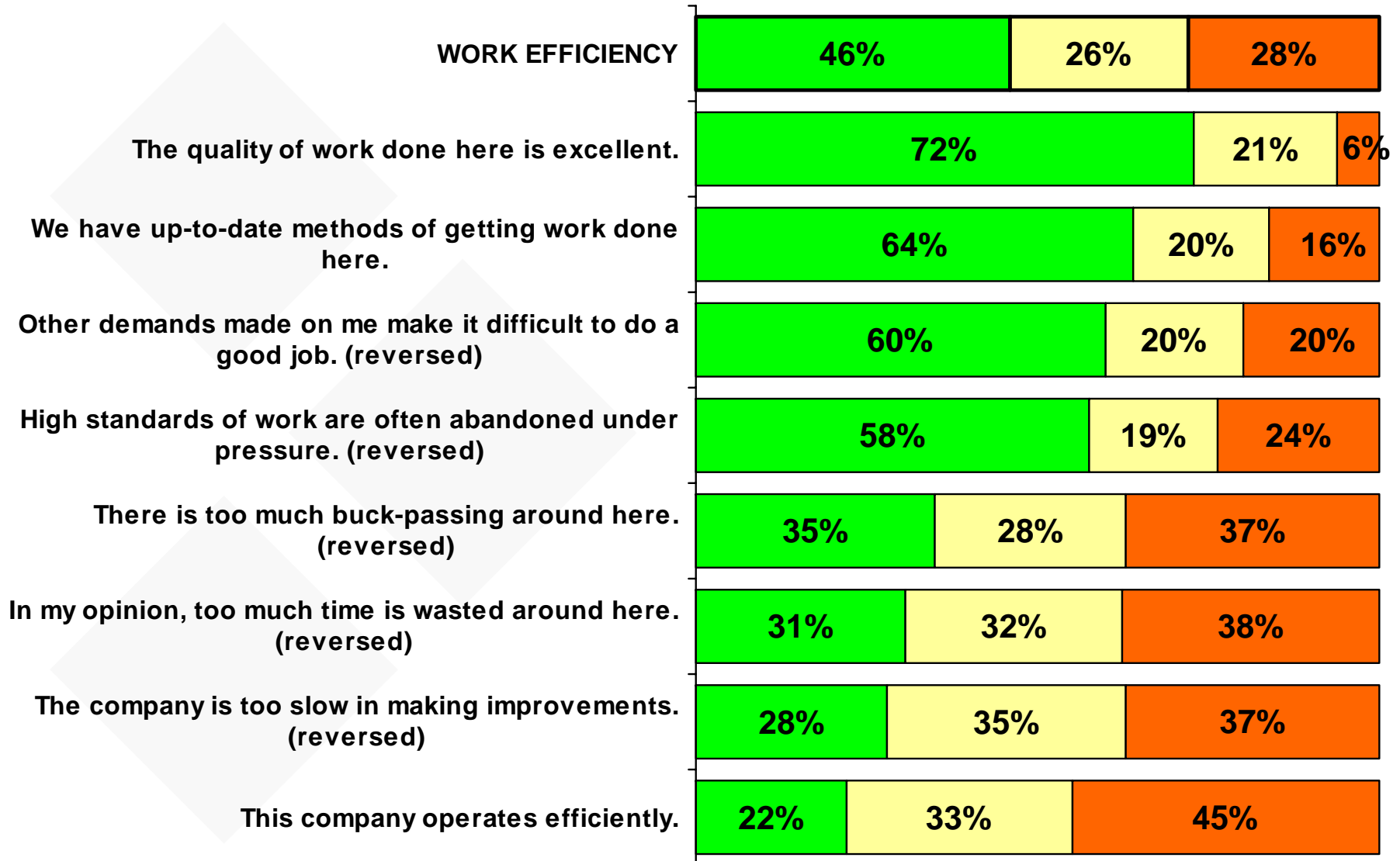


# Work Efficiency



# Item Detail – Work Efficiency

■ Favorable
 ■ Neutral
 ■ Unfavorable



# Subgroup Analysis

## Category Detail Reports

- > Bargaining Unit
- > Non-Bargaining Unit
- > Non-response

# Subgroup Analysis:

## Average Percent Favorable Across All Scales (sample size)

### ■ Bargaining Unit

■ 2005 (N=182)

■ 2006 (N=184)

■ 2007 (N=227)

### ■ Non-Bargaining Unit

■ 2005 (N=200)

■ 2006 (N=207)

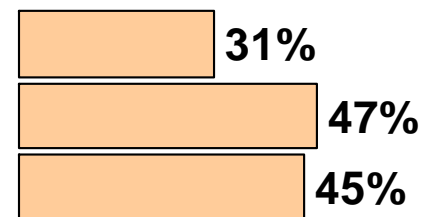
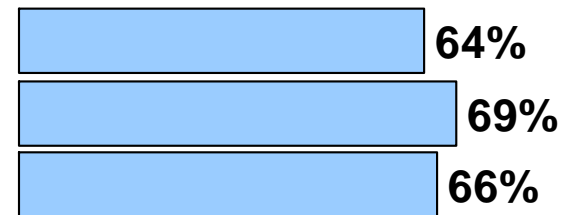
■ 2007 (N=240)

### ■ Non-response

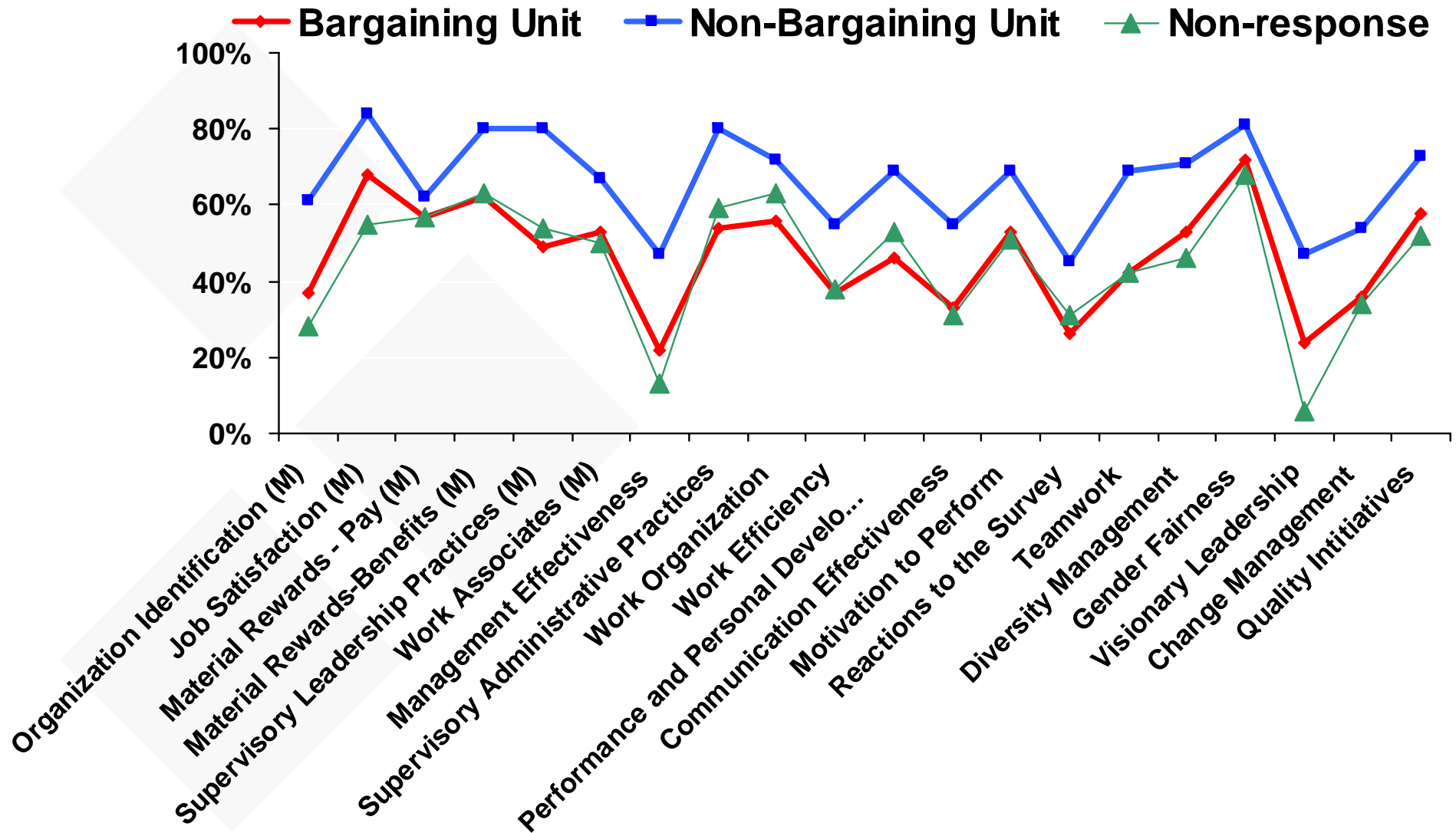
■ 2005 (N=9)

■ 2006 (N=15)

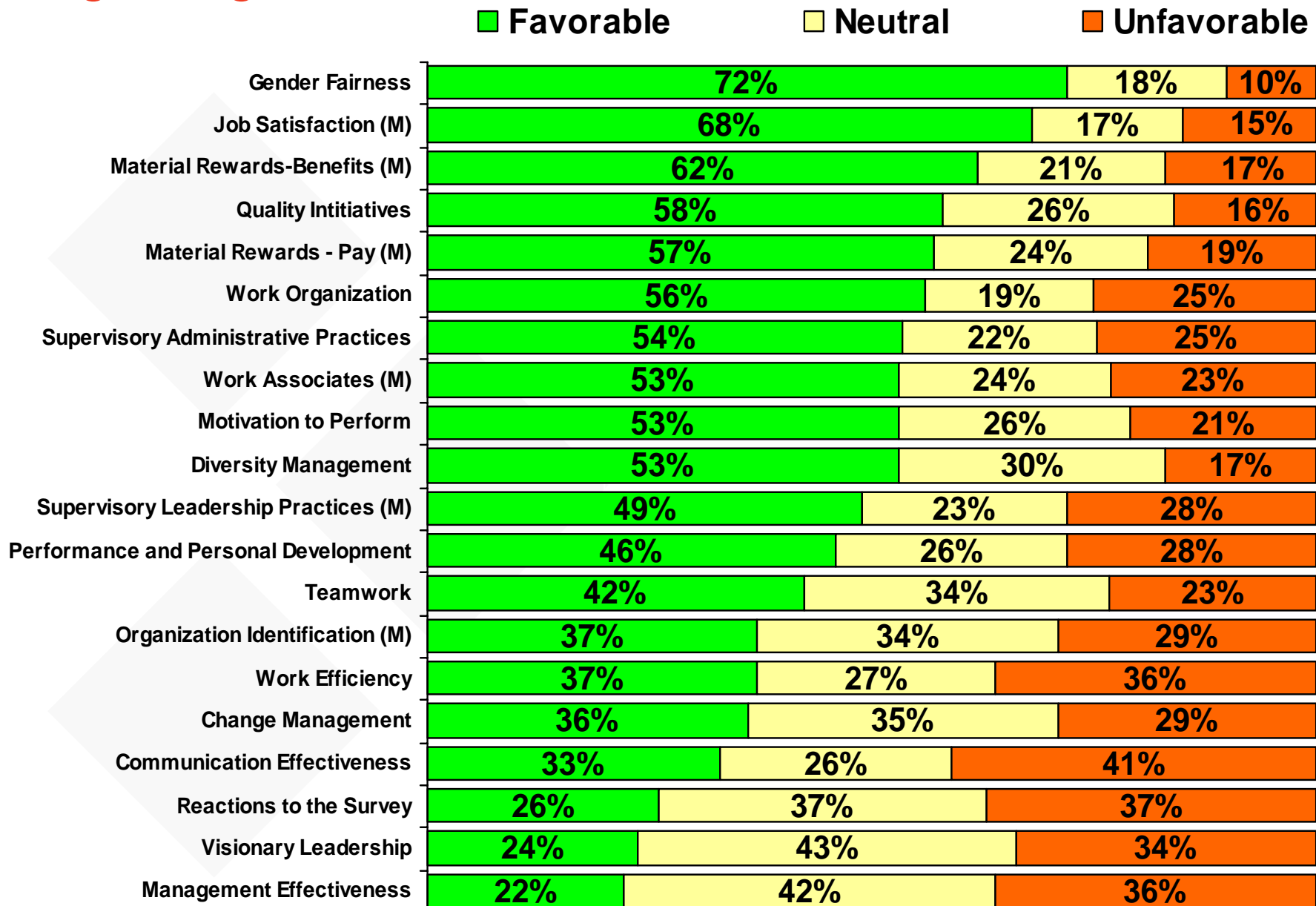
■ 2007 (N=18)



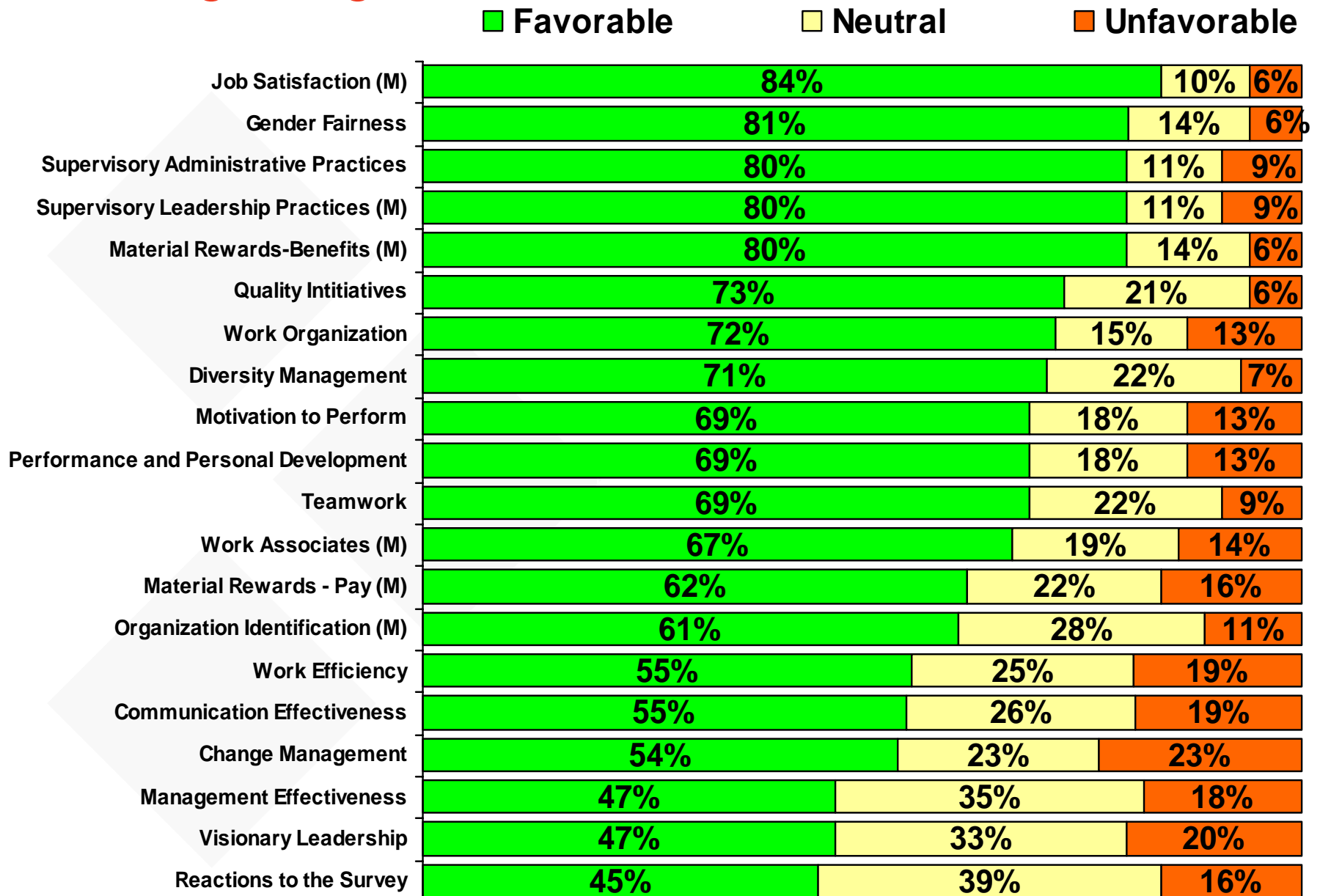
# Subgroup Analysis: 2007



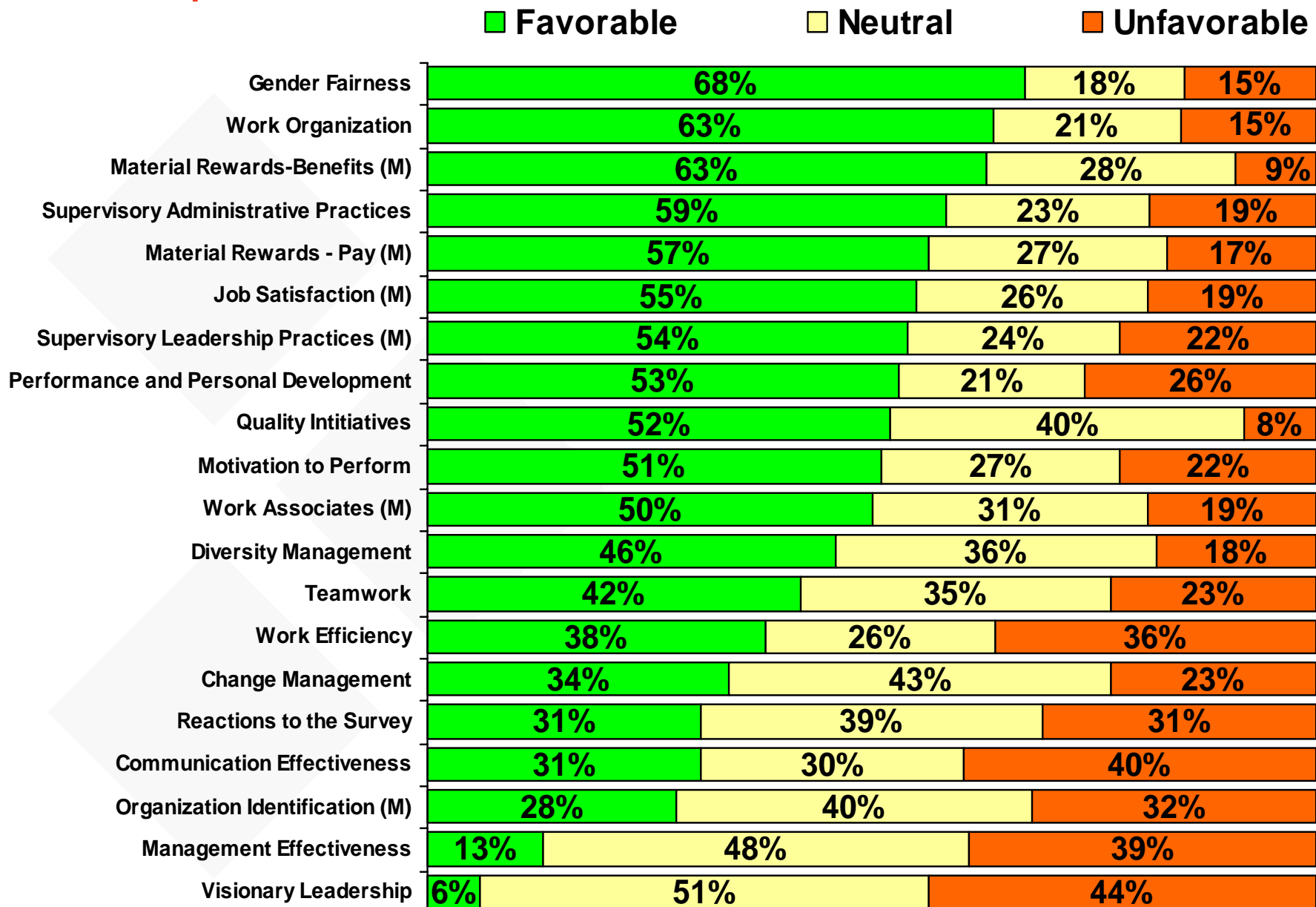
# Bargaining Unit 2007



# Non-Bargaining Unit 2007

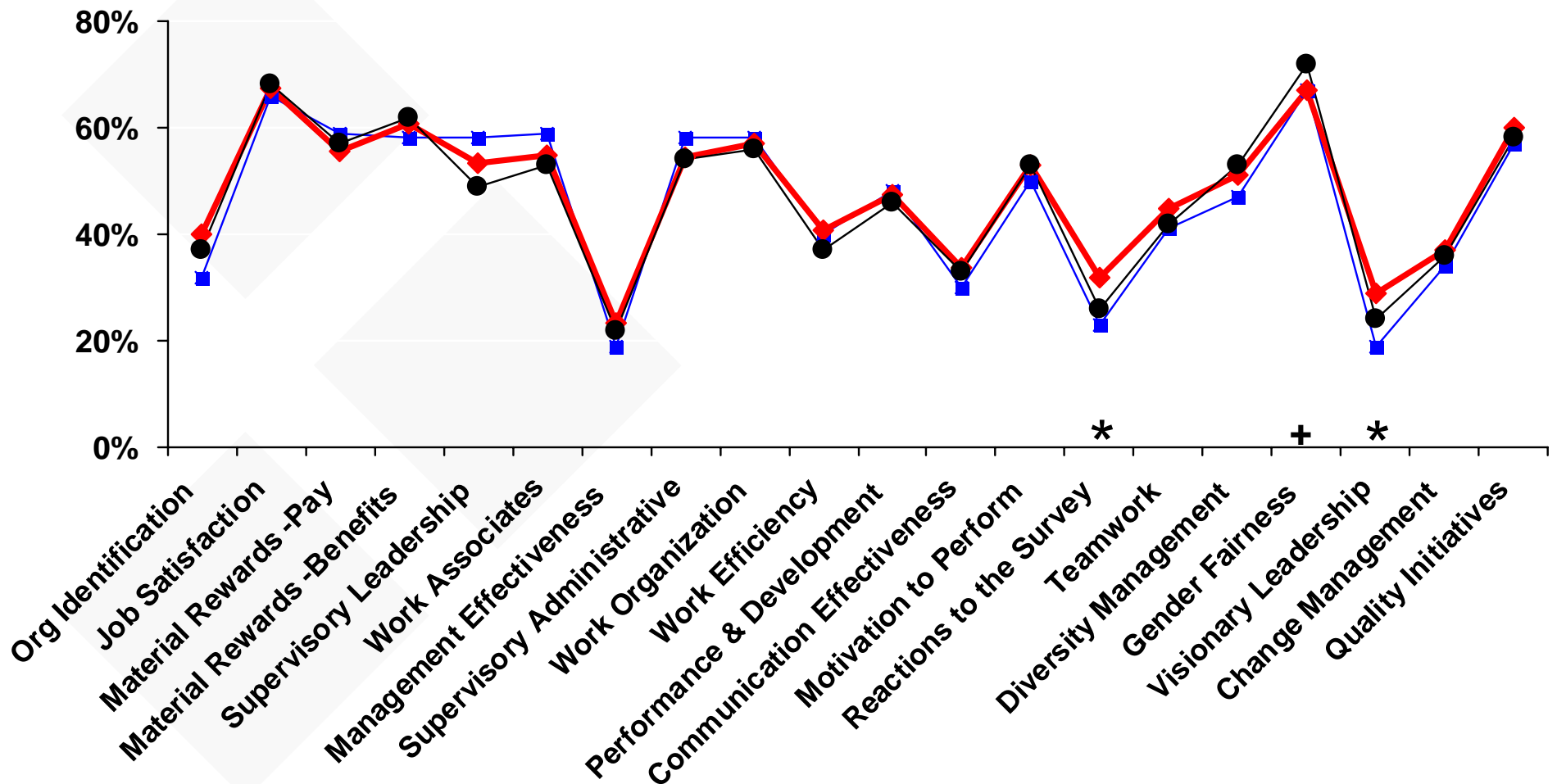


# Non-response 2007

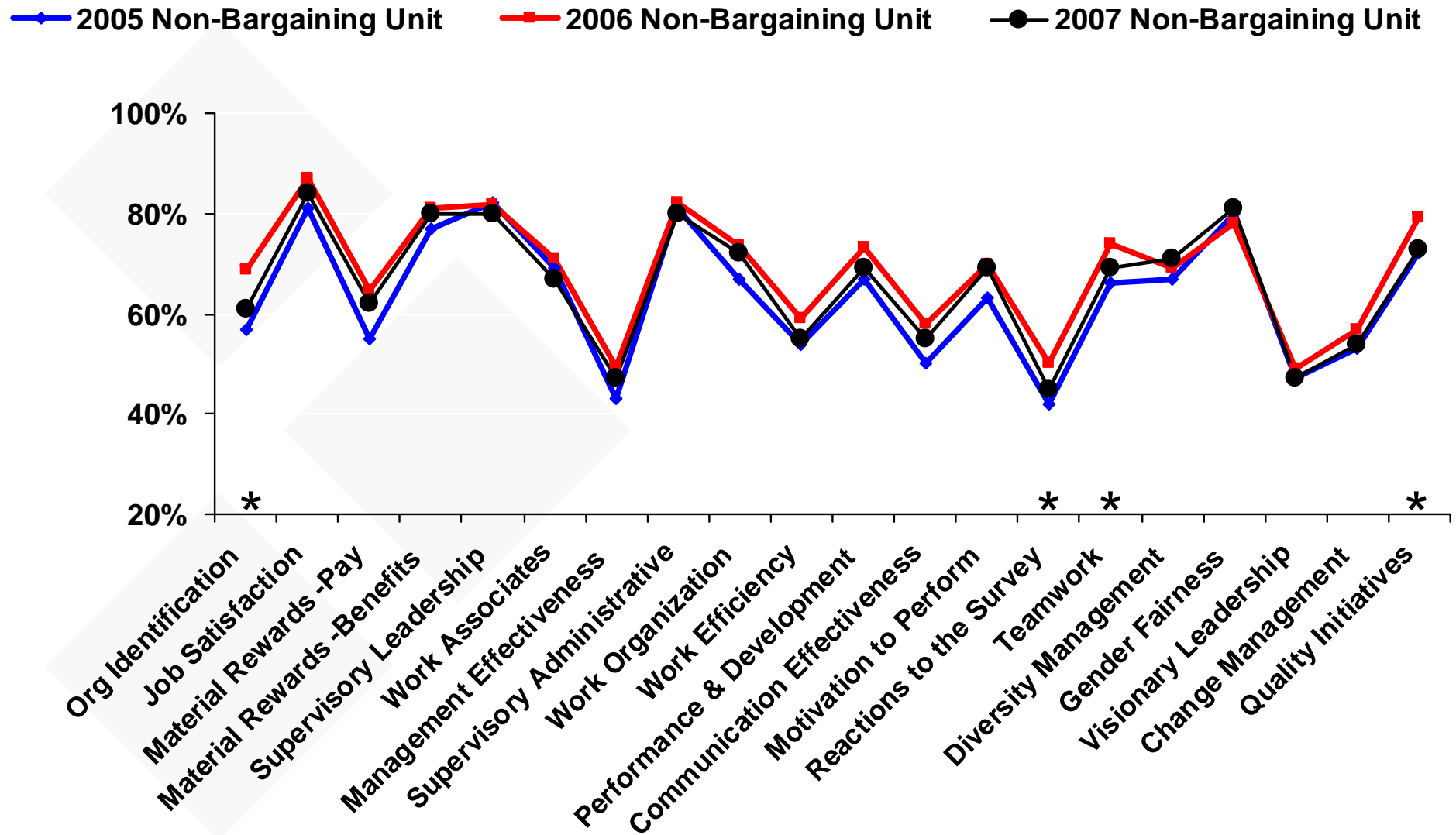


# Subgroup Analysis: Bargaining Unit

■ 2005 Bargaining Unit   
 ◆ 2006 Bargaining Unit   
 ● 2007 Bargaining Unit

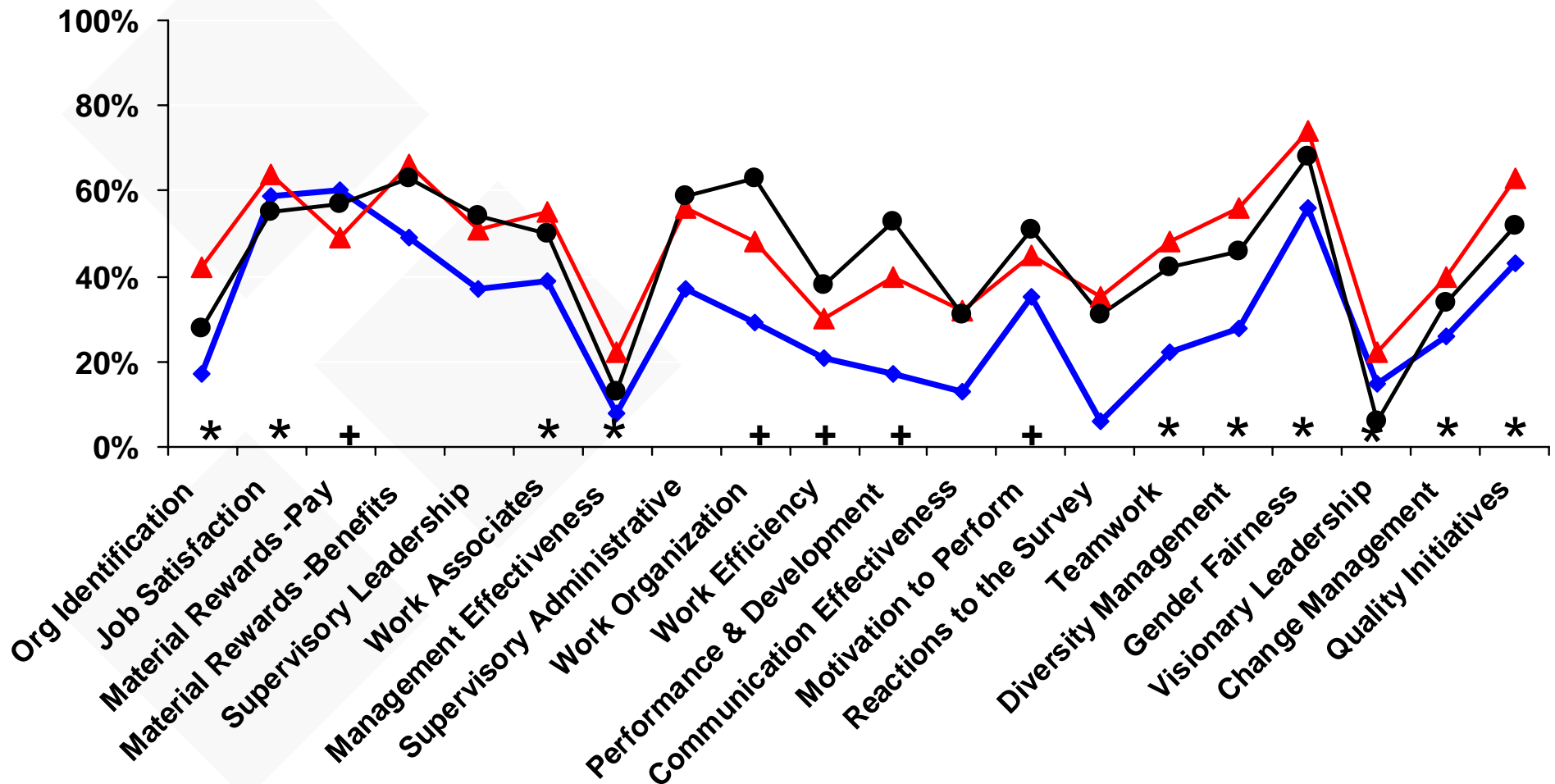


# Subgroup Analysis: Non-Bargaining Unit



# Subgroup Analysis: Non-Response

◆ 2005 Non-Response   
 ▲ 2006 Non-Response   
 ● 2007 Non-Response



# Summary of Open-Ended Comments

- >> Approximately 44% of those responding to the survey entered in a relevant comment (210 comments total)
- >> Vangent specialists reviewed the comments and deleted any type of identifying information.
- >> General themes include positive and negative comments.

# Common Themes Elicited from Comments

Listed in alphabetical order

- >> Company is top heavy – too many managers and supervisors
- >> Concern about benefit cuts and other cost-cutting that impacts the employees
- >> Favoritism in areas such as overtime, hiring practices and promotions
- >> Lack of action-planning based on survey results
- >> Lack of knowledge/experience of some supervisors
- >> Positive and negative preferences for various aspects of the survey
- >> Senior management should visit work groups
- >> Some employees experiencing high stress levels
- >> The PUD is a good place to work
- >> Understaffing is common
- >> Vision and Strategic planning

# In Conclusion:

## Areas to Celebrate

### Consistency Between Internal and External Comparisons (2007)

- > Job Satisfaction
- > Material Rewards - Benefits

### Internal Comparisons 2007

- > Gender Fairness
- > Supervisory Administrative Practices
- > Quality Initiatives
- > Supervisory Leadership Practices

### Historical Comparisons (2006 v. 2007)

- > Gender Fairness

## Areas to Consider

- > Management Effectiveness
- > Reactions to the Survey
  
- > Visionary Leadership
- > Communication Effectiveness
- > Change Management
- > Work Efficiency
  
- > Organization Identification
- > Teamwork
- > Quality Initiatives
- > Reactions to the Survey

## In Conclusion: Subgroup Comparisons

- >> The Non-Bargaining Unit responded the most favorable
- >> The Non-response group responded the least favorable and showed the largest variability in responses as compared to last year
- >> On average, the 3 groups' favorability of responses decreased as compared to last year

## In Conclusion: Subgroup Comparisons

- >> Each department will receive their specific reports as compared to the organization as a whole, as well as their previous years' results.
- >> Tenure groups 21-40 responded slightly more favorably this year than in 2006.
- >> Contrary to previous years, 2007 shows more of the standard tenure effect - less tenured employees and more tenured employees showing more favorability than mid-tenured employees.

# Observations, Implications, and Things to Keep in Mind

## Why did we implement the employee perceptions survey?

- >> Provide a confidential avenue for employees to tell us what's going well and what's in the way
- >> Benchmark – against other organizations across the country and our own history.
- >> Gauge as a tool to measure management opportunities for organizational improvement
- >> Proactive improvement – people, processes, communication

# Observations, Implications, and Things to Keep in Mind

## Survey Life-Cycle

Information Collection

Analysis

Evaluation

Action

# Observations, Implications, and Things to Keep in Mind

## Typical employees:

- >> Are motivated, happy, and productive
- >> Are a good source of ideas for improvement; in fact, they may be the single best source
- >> Want to be part of the solution
- >> When informed, tend to be more positive and committed
- >> Want to help deliver a valuable, high-quality product or service on time and within budget

# Observations, Implications, and Things to Keep in Mind

## Final Word

- >> Employees are justified in expecting action based on survey results
- >> Every issue raised may not be addressed immediately



Questions

Open Discussion