



NOTICE OF SPECIAL MEETING

PERFORMANCE REVIEW COMMITTEE

I hereby give notice that pursuant to Standing Order 14(b)(i) a Special Meeting will be held on:-

DATE: **Tuesday** **11 June 2002** **TIME:** **2.30 pm**

VENUE: **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

to consider information within the scope and delegation of the Committee and to take any necessary action connected therewith

11 July 2003

Darryl Griffin
**MANAGER DEMOCRACY AND SUPPORT
SERVICES**

Telephone (09) 836 8000 extn 8712

MEMBERSHIP:

Mayor	RA	Harvey, QSO, JP (Chairperson)
Councillors	CA	Stone (Deputy Chairperson)
	JM	Clews, QSO, JP
	PA	Hulse
	GB	Presland

(Quorum 2 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR A SPECIAL MEETING OF THE PERFORMANCE REVIEW COMMITTEE
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,
WAITAKERE CITY, ON TUESDAY, 11 JUNE 2002,
COMMENCING AT 2.30 PM.**

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFIRMATION OF MINUTES	1
4	STAFFING AND PAYROLL INFORMATION - 2001/2002 FINANCIAL YEAR	2
5	ORGANISATIONAL REVIEW	2
6	STAFF CLIMATE SURVEY	4
7	MARAE WORKSHOP	7
8	PERFORMANCE APPRAISAL - PART ONE - LEADERSHIP ASSESSMENT	7

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1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) and (7A) of the Local Government Official Information Act and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the item is a minor matter; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting; and
- (iii) the Committee resolves to deal with the item.

No resolution, decision, or recommendation may be made in respect of the item except to refer the item to a subsequent meeting for further discussion.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 CONFIRMATION OF MINUTES

Ordinary - 11 March 2002

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Performance Review Committee held on Monday, 11 March 2002, as circulated, be taken as read and now be confirmed.



4 **STAFFING AND PAYROLL INFORMATION - 2001/2002 FINANCIAL YEAR**

This report gives an outline of staffing and payroll issues across the Council. The report is a snapshot as at the last day of the month and there may well have been movements in staff numbers at the time of the reading of this report.

MARCH 2002

REDUNDANCIES

There were no redundancies during the month of March 2002.

DISMISSALS

There were no dismissals during the month of March 2002

GRIEVANCES

Human resources are dealing with 2 personal grievances.

APRIL 2002

REDUNDANCIES

There were no redundancies during the month of April 2002.

DISMISSALS

There were no dismissals during the month of April 2002.

STAFFING AND PAYROLL INFORMATION

A1

Attached to this document at page A1 is the statistical data on staffing and payroll for 2001/2002 including March and April.

RECOMMENDATION

That the information be received.

Report prepared by: Keith Campbell, Human Resources Manager.



5 **ORGANISATIONAL REVIEW**

Over the years there have been many organisational improvement initiatives following on from concerns held by previous Councils and management, and also expressed on a number of occasions by staff in various surveys. Quite a number of redesign exercises were commenced but very few have been completed and even those that were completed had no process for monitoring (or even identifying) whether the original objectives of the redesign were successfully met.

The Audit Office in a report to Council in 2000, expressed concerns about Council's processes for redesign and in particular the lack of quality assurance processes. Since the appointment of Mr Harry O'Rourke as Chief Executive there have been a number of discussions with Audit New Zealand about the need to improve the management control environment within the organisation, and to establish a good platform that will enable this organisation to meet Council's strategic goals and objectives.

The recent approach by the Budget Review Group (BRG) to the preparation and deliberation on the draft 2002/2003 Annual Plan budget is one of the initiatives the Chief Executive has introduced to ensure that Council operates within a framework of prudent financial management. However, the results of the recent staff climate survey and the findings of the Budget Review Group have made it clear that the ad hoc manner in which this organisation has redesigned its structure and practices, has not been as effective as intended in improving the overall efficiency and effectiveness of the organisation. There are some common issues running across all Council units that are not being adequately addressed by ad hoc redesign.

The concerns being aired are not new, and redesign appears to be forever ongoing without accountability for completion.

While organisational change is in many ways an iterative and ongoing process (monitoring whether the changes are having the desired effects) this current review is seeking to identify the major obstacles in the way of this organisation fulfilling its vision and objectives. It is important that the organisation has the capability to look beyond one Annual Plan to the next.

Accordingly, the Chief Executive has put on hold any internal redesign work pending the completion of a much wider review to identify the main obstacles to this organisation's well being. Once the main obstacles have been identified it is his intention to bring to a speedy conclusion the various redesign exercises that were in progress.

At a recent workshop the Senior Management Group identified as fundamental this organisation's ability to operate strategically, deliver on the outputs and outcomes of the city, work as a team, be a good employer, and to achieve all of this in an affordable manner through a framework of prudent financial management.

Four work streams have been established to consider organisational strategy, delivery, people and finance. Each work stream has a leader from third or fourth tier of management, 2 members of SMG for guidance and overview, PSA representation and a cross selection of 5-6 other team members from staff.

The Director: Quality Assurance is assisting the Chief Executive with this review but Audit New Zealand have also been commissioned to provide independent real-time assurance that the processes being applied represent good practice and are cognisant of past audit criticisms.

Part of the process to date has entailed Audit New Zealand interviewing a number of Councillors and approximately 30 managers at a senior to fourth tier level, to ensure the issues identified to date represent the ones to focus on first.

The themes that have been consistently identified in the staff climate survey and interviews conducted by Audit New Zealand include:

- Duplication
- Bureaucracy
- Communication
- Poor cross-Council Team working

A lot of reasons have been given for our poor performance in many areas, such as:

- Leadership
- Accommodation
- Lack of accountability and performance measurement
- Structure
- Unclear roles and responsibilities

The focus of the work streams is not to commission further surveys, or go on fact-finding missions as this work has already been completed through a variety of information seeking exercises.

The role of the workgroups is to review the supplied information and together with their own individual experiences, identify the key issues and concerns within their work group's assigned area that impact on the ability of the organisation to realise its vision.

Some thoughts the Chief Executive has asked the work streams to focus on include:

- Why are we not as highly rated as we should be, as forward thinkers, innovative and dynamic?
- Why are we lacking effective and efficient linkages between our strategies, processes and deliverables?
- Why are we not team working across Council?
- What should our key measures of success be and who should share accountability?

The work streams have been very committed over the past several weeks to making some high level recommendations for my consideration. The Chief Executive will discuss the recommendations with SMG before making any decision on how to plan to take this organisation forward.

It is expected there will be some changes that can be given effect to immediately, but some of the recommendations may require further detail before implementation can be effected.

This Committee will be kept informed as the review progresses.

RECOMMENDATION

That the information be received.

Report prepared by: Robert Rudd, Director: Quality Assurance.



6 STAFF CLIMATE SURVEY

BACKGROUND

As part of the Chief Executive's commitment to ensuring Council continues to be a good employer and strives to high levels of excellence in all it does, he sought to gain further understanding of this organisation's 'internal climate'.

To do this PriceWaterhouseCoopers were engaged to conduct an independent staff survey during February 2002. The Mayor and Chief Executive both sent out separate letters encouraging maximum participation in the survey.

METHOD USED

During a 10 day period in February 2002 all Council staff were invited to fill out a questionnaire seeking their scores and comments concerning a variety of statements about their employment and working environment.

PriceWaterhouseCoopers has produced the results in both narrative and graphical form in their report.

RESPONSES

While there was a degree of cynicism about 'yet another survey', the response rate was high, particularly for this type of exercise. In total, 67% of staff (459 employees) filled out the questionnaire and a number commented on a wide variety of matters. This would indicate a strong interest by employees in taking part in the survey and adds to the strength and validity of the results, with a large representation of the staff.

SURVEY FEEDBACK

PriceWaterhouseCoopers has given the Chief Executive personal feedback of the survey results and some of the messages given by staff. PriceWaterhouseCoopers were then commissioned to conduct full debriefs as follows:

- Full Senior Management Group
- Individual unit managers
- All Council staff

These debriefings were completed during March, April and May.

Unit managers have been encouraged to share the survey results with their respective staff. With the exception of the completed questionnaires, all unit managers have a full copy of the survey results. To maintain anonymity the completed questionnaires were sent direct to PriceWaterhouseCoopers for compilation of the survey results. With publication of the survey results these completed forms will be destroyed.

SUMMARY OF RESULTS

The PriceWaterhouseCoopers report indicates the following key highlights and areas of concern.

The following is an extract from the PriceWaterhouseCoopers report.

“Highlights

Whilst there have been both positives and negatives expressed by staff, there is a general feeling of pride amongst them, associated with belonging to Waitakere City Council. This is reinforced by Waitakere's vision, goals and the eco-city philosophy.

There is a sense of team and community within the different units, with staff members working well together and supporting each other.

The response to being treated with respect and fairness within the City Council was favourable, as were the responses to diversity, work and family. This would indicate that the Council appears to be committed to the philosophy of being a good employer.

In general staff appear to feel satisfied with the level of current responsibility and job content. They are also confident in their skills and ability to perform their jobs, and believe that they deliver relatively high levels of customer service.

Main areas of concern

Waitakere City is one of the fastest growing cities in New Zealand. There is a tendency by many organisations experiencing growth to concentrate on delivering outputs, whilst neglecting the internal issues that arise out of this growth. In the case of Waitakere City Council, the Chief Executive has inherited a number of issues which will need to be reviewed in light of this survey. Some of these issues have arisen as a result of growth, and previous leadership. Others are the result of doing things in the same way for a long period of time and not taking account of the need for change or improvement.

The main areas of concern include:

- Lack of communication (a major source of concern)
- Lack of induction and training support for new people
- Staff feeling overworked
- The staff perception that management are too busy
- Stress
- Not being listened to or consulted
- Poor working conditions in some areas
- A feeling of them (ie Senior Management Group) and us (staff)

As the City and the Council have grown, a number of Human Resource Management systems and procedures have not kept pace.

The main areas of concern centre around:-

- Inadequate performance appraisal systems
- Irregular performance feedback
- Perceived lack of career development opportunities
- Lack of attention by management to career development
- Perceived lack of information on how to seek promotion
- Above average performance not recognised or rewarded
- Some units perceived as not remunerating adequately for skills
- Perceived lack of information about remuneration policies

There has been a great deal of comment with regards to leadership. Most of the comments have been quite negative. While the staff are generally satisfied with the leadership role played by the Chief Executive, the high neutral response rate in this area may be the result of visibility in particular units within the Council.

Whilst there is an expectation that staff need to alter their attitudes as required, to cope with constant change and pressure, it may be opportune for leaders to review what leadership traits are critical to the Council's ongoing success. It may also be advantageous to review the leadership of the sub cultures and aim to build a common leadership culture which can also be reinforced in recruitment, induction and ongoing training.

It is vitally important that the Senior Management Group be seen to be unified and not "inward" focussed. The Senior Management Group must also be seen to work more closely with staff in general, especially in particular units where the comments are self explanatory.

The comments on "bureaucracy" as stifling efficiency, effectiveness and creativity will need consideration as there were focussed comments in this area".

GOING FORWARD

You are aware that the organisational review has recently commenced. The results of the staff survey, together with other internal review findings (eg Budget Review Group, Finance Unit survey, HR reports etc), have all been given to the various work streams established to identify the key obstacles hindering our organisation performing better. This has been commented on separately in a report to you on the progress of that review.

CONCLUSION

There is a great deal of positive goodwill among staff but the Chief Executive is conscious of the need to address a number of concerns held by staff, senior managers and himself.

There is a merit in surveying staff again in the future once any changes resulting from the organisational review have been implemented.

RECOMMENDATION

That the information be received.

Report prepared by: Robert Rudd, Director: Quality Assurance.



7 MARAE WORKSHOP

The Marae Workshop postponed from Thursday, 18 April 2002 is now scheduled for Wednesday, 21 August 2002 at Hoani Waititi Marae. This will be a full day workshop commencing at 9.30 am and concluding at 4.30 pm. The draft programme and participants at the Workshop is subject to approval.

RECOMMENDATION

That the information be received.

Report prepared by: Darryl Griffin, Manager Democracy and Support Services.



8 PERFORMANCE APPRAISAL - PART ONE - LEADERSHIP ASSESSMENT

A full report on the Performance Appraisal process and timetable is being prepared for presentation to the next meeting of this Committee.

