CalPERS

Performance, Compensation, and Talent Management Committee
Agenda Item 7a

June 16, 2021

Item Name: Employee Engagement Survey Update

Program: Human Resources Division

Item Type: Information

Executive Summary

The purpose of this agenda item is to provide an overview of results from the 2020 CalPERS Employee Engagement Survey. This will include an introduction of our new survey platform and action planning initiatives based on the 2020 results.

Strategic Plan

The Employee Engagement Survey supports the CalPERS Strategic Plan. Specifically, the Talent Management goal to promote a high-performing and diverse workforce.

Background

In 2020, CalPERS transitioned to a new third-party survey provider, Perceptyx, to meet CalPERS business requirements such as ADA compliancy and integration with CalPERS Human Resource Management System. The platform includes: comprehensive workforce data analytics based on the entire employee experience, which will enable us to proactively implement strategies to address team member feedback; action planning tools for leaders to monitor the impact of their engagement efforts; and flexible benchmarking from a Perceptyx database of 12.2 million responses across 355 domestic and multi-national organizations ranging in size from 50-350,000 employees.

The Employee Engagement Survey was administered in November 2020. Team members accessed the survey with a unique link from Perceptyx to ensure the anonymity of the responses. CalPERS receives only aggregate data and has no mechanism to access individual team member results. To further protect anonymity, a minimum of four responses are required to generate results for any given team leader, division, or branch.

Analysis

The results of the 2020 Employee Engagement Survey indicate we continue to have a highly engaged workforce. 80% of our team members participated in the survey, which is a 1% increase compared to 2019 and within the high end of the Perceptyx benchmark of 66%-85%. CalPERS scored 86% in overall engagement, which is 4% higher than the Perceptyx benchmark. This tells us team members are proud to work at CalPERS, their work gives them a sense of personal accomplishment, and they intend to stay with CalPERS for at least the next 12 months.

In addition to overall engagement, other top scoring areas for CalPERS include:

- **Clarity of Direction**: Team members have a clear understanding of our organizational goals and objectives, and they know what is expected of them at work. They also feel the senior leadership team keeps them informed of CalPERS matters.
- **Manager Relationships**: Team member and team leader relationships are very positive. Team members feel their team leader keeps commitments, cares about them as a person, and are comfortable discussing concerns with them.
- **Performance Management**: Team members believe their team leader clearly communicates performance expectations, provides useful feedback on performance, and that roles and responsibilities within their team are clearly defined.

Areas of focus for us include:

- **Employee Empowerment**: Team members want to feel more appropriately involved in decision-making processes that affect their work and want to know that sufficient effort is made to get input from team members.
- **Growth and Development:** While team members feel their team leader supports both their skill and career development, they would like more career opportunities at CalPERS.
- **Teamwork and Collaboration**: Team members believe their immediate team works well together and want to see more effective communication between divisions.

To learn more about how team members feel about the CalPERS culture, they were asked what CalPERS does particularly well and where we might improve. Approximately 55% of team members said we are doing well in fostering work-life balance, providing learning and development opportunities, focusing on our customers, and valuing diversity. 32% of team members believe there is opportunity to improve collaboration between divisions. This feedback has helped to guide the organization-wide action planning initiatives.

Diversity, Equity, and Inclusion

To support the CalPERS' Diversity, Equity, and Inclusion efforts, team members were asked questions to measure their feelings of inclusion, fairness and respect. We learned that 80% of team members feel they are being treated fairly, regardless of their differences, with respect and dignity at work, and that they have a sense of belonging at CalPERS. This score exceeds the Perceptyx benchmark by 3%.

We also asked team members to answer three optional, confidential demographic questions about ethnicity, sexual orientation, and gender to ensure we recognize the needs of each individual in our diverse workforce. The data helps us measure and act on feedback to ensure the entire CalPERS team has an engaging and fulfilling employment experience, where they can bring, share, and be their full selves. According to Perceptyx, CalPERS is at the forefront of collecting this data, as there are few organizations within their database who are asking these demographic questions.

Approximately 75% of team members who responded to the survey voluntarily revealed this level of demographic information. As team members trust the confidentiality of the survey process and see that their feedback has been acted upon, we anticipate this number would increase over time.

When reviewing the Employee Engagement Survey results by demographic, we learned the majority of individuals within each of the groups are engaged and feel they are treated fairly, with respect and dignity and have a sense of belonging here at CalPERS. This information validates that the efforts CalPERS' is taking to create an inclusive culture is making a difference.

Action Planning

The purpose of action planning is to address feedback from the survey and convert actionable insights into positive change. As such, we asked that all levels of the CalPERS leadership team implement action plans.

At an organization-wide level, the Senior Leadership Council (SLC) chose to focus efforts on **improving communication and collaboration between divisions**, since team members indicated a desire for improvement in this area.

Strategies to address **communication and collaboration between divisions** have been identified and guidelines have been developed to ensure consistency across divisions. The approach includes:

- Identifying areas where cross divisional business process handoff communication can be improved.
- Inviting Division Chiefs and Executives to discuss topics during All Team Meetings.

While SLC has focused their attention on the organization-wide initiatives, branches and divisions were encouraged to conduct their own action planning and given flexibility to implement action plans based on their areas' unique results. For example, divisions have conducted focus groups, held Division Chief Open House sessions, and invited guest speakers to attend team meetings.

Next Steps

In the coming months, the Human Resources Division, Enterprise Engagement Unit will administer pulse surveys to measure the impact of the Employee Engagement Survey initiatives.

We will also continue to support and influence the Diversity, Equity, and Inclusion framework by asking and reassessing the demographic questions in future Employee Engagement Surveys.

This will enable us to monitor and react to trends over time. We will continue to collaborate with the CalPERS Diversity Outreach Program and our Employee Resource Groups (CalPERS Diversity & Inclusion Group and CalPERS Disability Advisory Committee) to ensure we are measuring the success of initiatives so that we continue to create a culture of inclusivity.

Budget and Fiscal Impacts

The annual budget for the Employee Engagement Survey is $97,500.

Attachments

Attachment 1 – CalPERS 2020 Employee Engagement Survey Presentation

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