

Running on Empty



The British Columbia Excluded Employees' Association's
Investigation of the Work and Service Impacts of the
Ongoing Hiring Freeze in the British Columbia Public Service

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Running on Empty: BCEEAA's Investigation of the Work and Service Impacts of the Ongoing Hiring Freeze in the BC Public Service

A. Introduction

Since early 2009, informal and formal limitations and restrictions on wages, hiring and movement within the public service have been initiated as government has attempted to address its fiscal challenges. Most recently, in September of 2012 an across the board freeze on hiring and wages for excluded (non-unionized) staff was imposed as a “short term” measure, with some exceptions. In October of 2012 the BC Excluded Employees Association (BCEEAA) surveyed its members to identify the major impacts of this policy on them – both personally and on their ability to fulfil their responsibilities to the citizens of BC.

BCEEAA members and non-member excluded staff responded strongly to the survey. An overriding concern of most respondents was the negative impact of this policy on their ability to meet their job requirements and to serve citizens. In December of 2012, BCEEAA representatives met with the Deputy Minister to the Premier and the Head of the Public Service Agency to personally inform them of these concerns.

It is now June of 2013 and the “temporary” measures have been in place for almost ten months. The BCEEAA believes that it is important that the newly elected government should be fully aware of the on-the-ground impacts of the freeze, and should make its human resource and financial decisions based on input from BCEEAA members and other excluded public service employees. Therefore, the BCEEAA carried out a second follow-up study in April-May of 2013 to explore three major concerns raised by excluded staff in 2012:

- Erosion of service standards;
- Increased risk of not complying with statutory requirements; and
- Lack of capacity to identify and initiate service innovation and improvement measures.

The study included three elements: an online survey, in-depth interviews with a representative group of individuals, and focus group discussions. Of the 270 excluded employees who responded to the survey, 53 volunteered to be interviewed. A representative sample of 25 was selected from the volunteer group; and from this group, 17 interviews were conducted, each lasting an average of 40 minutes. The remaining volunteers were invited to participate in a teleconference focus group discussion. Further focus group information was collected through a paper-based question and answer process.

B. Findings

1. Overall Findings

In many cases, there is a significant and growing gap between excluded employees' mandates and the resources they have to meet them. In some program areas, business process improvements have been made, and in some cases excluded employees have been deployed to “hotspots” to ensure that there are no visible impacts on service. However, the study found that these strategies are stop-gap measures that have not adequately addressed the core issues that were initially identified by the BCEEAA in October of 2012. In many cases, this is reflected by an observable increase in stress and tension among staff. Furthermore, excluded managers and supervisors do not, according to the vast

majority of study participants, have the time and energy to manage staff to achieve maximum performance. Coupled with the lack of capacity to find and implement innovative solutions that would enable effective and efficient services to be provided in the face of budgetary constraints and a growing knowledge gap as older staff retire, the study found that the risk of unmet mandates and client service expectations has increased. A majority of respondents also indicated that in a number of cases, inexperienced staff are reluctant to fill more senior excluded roles, especially when it means leaving a bargaining unit. Most study participants are concerned about the significant risk of government promising services that its employees cannot deliver - and primarily attributed this to a lack of capacity due to the September 2012 freeze. They indicated a willingness - as excluded employees, to participate in any initiatives, including a review of the freeze and its implications and a discussion of alternative approaches to achieving the fiscal objectives of the freeze to ensure that they can proudly and effectively carry out their responsibilities, meet their mandates and efficiently serve the citizens of BC.

2. Staffing Issues

Respondents were asked to estimate their current “team strength” – as in, what percentage of full team strength they are currently at, considering ongoing gaps due to vacant positions, unfilled leaves of absence, etc. The overall average for the province was 73%, with some differences depending on region and sector. Vancouver Island Land Use ministry/agency respondents identified their teams as the most “short staffed” and Vancouver Island Financial and Economic ministry/agency respondents the least.

Percentage of Full Team Strength by Type of Ministry/Agency							
	Central Interior	Vancouver	Lower Mainland	North East	North West	Vancouver Island	Victoria
Central/ Shared	84	67	81	83	63	70	74
Land Use Related	76	*	53	70	81	49	70
Financial and Economic	88	*	75	*	*	91	69
Social, Health, Education	76	77	69	74	82	67	63

Survey comments and interview responses identified several immediate and longer term consequences of this ongoing “short staffing” of teams:

- Succession planning has been significantly reduced. Little has been done to ensure knowledge transfer; and the “next generation of excluded employees” often lacks excluded experience due to years of limited hiring and minimal knowledge transfer. This will become particularly acute over the next few years.
- Middle management positions are increasingly unattractive due to work demands and salary compression; and many managers are concerned that no one will be interested in their jobs when they retire.
- The quality of “back office” functions, including administration, records management, research and other work crucial to supporting effective “front line” service has significantly decreased as limited resources are allocated to direct public facing activities.

3. Impacts on Service

One of the concerns raised by excluded employee respondents is that there has been an erosion of service quality and standards, including timeliness. This is primarily attributed to short staffing caused by the hiring freeze and related processes. The following table shows the responses to the questions posed on this point. Of particular note is that 35% of respondents report that both quality and timeliness of service to citizens in BC have been impacted. To date, the bulk of the impact has been on “internal” services (i.e. within Ministries or between different parts of the public service) rather than to citizens or other external clients; however, in interviews and comments many respondents suggest that “the cracks are about to start showing”.

Service Quality Impacts Reported by Percentage of Respondents					
	No or very little impact	Timeliness of service is reduced	Quality of service is reduced	Both quality & timeliness are reduced	N/A
Services my team provides to citizens in BC	20%	20%	7%	35%	18%
Services my team provides to public sector organizations in BC	18%	21%	7%	39%	15%
Services my team provides to public sector organizations outside BC	20%	12%	5%	26%	37%
Services provided to my team by others in my Ministry	13%	27%	7%	44%	9%
Services provided to my team by central/shared services	16%	25%	9%	39%	11%
Services my team provides to private sector organizations or institutions in BC	21%	20%	4%	26%	29%
Services my team provides to other BC Government Ministries or Agencies	17%	26%	8%	37%	12%

The interviews revealed a general belief that staff must deliver services “at all costs”, and those costs should be invisible to clients. A number of participants indicate that this belief is often held by executive leaders who seem to be uninterested in the impact of staffing reductions and hiring restrictions on employees and the quality of service except when narrowly defined triggers and tipping points occur, such as potential office closures and public complaints to Ministers and senior staff.

The study suggests that there is a growing disconnect between the public’s expectations of service and the actual capacity of employees to deliver, although on a case by case basis individual citizens seem to understand when advised that a task may take longer. However, many respondents believe that there will be a tipping point beyond which government will not be seen to be meeting its promises and mandates. The interviews also indicate that some ministries have provided explicit instructions on what staff can and cannot publicly say about the hiring freeze, but most respondents believe that citizens are not interested in these kinds of statements - they simply want the service.

Ninety-seven survey respondents indicated that their ability to meet statutory requirements has been impacted. They believe that their ability to meet expectations for timeliness is most often compromised. Some spoke of the diminishing quality and thoroughness of the work which, in their view, increases the likelihood that their decisions will be appealed. Thus, the durability and sustainability of these decisions is jeopardized. In turn, an increase in appeals and other challenges to decisions leads to increased work and pressure.

Another negative impact that was identified (i.e. from the inability of teams to fully meet service standards) is on staff morale. With many, although not all, respondents indicating that employees are working in continual crisis mode, or are expected - or believe they are expected to do the impossible, the interviews explored this issue further. Four issues emerged from these discussions:

- Under the current stressful work environment and conditions caused by the hiring freeze, there is an observable increase in inappropriate workplace conduct by employees all levels - especially colleague to colleague interactions. The interviews indicate that due to the freeze a number of executive directors, directors, managers and supervisors are too busy filling in for absent staff or performing double and triple duties to cover vacant positions to be able to proactively address staff conflicts at early stages. Many study participants are concerned that if the current situation remains unchanged, this will result in more cases that escalate into serious workplace conflicts - with potentially damaging implications.
- There has been a loss of some collaborative relationships with stakeholders and counterparts due to stringent restrictions on travel and the exclusive focus on immediate/priority work. This is contributing to an overall loss of business intelligence and effectiveness in working with, and through, others.
- Respondents believe that the role of the B.C. government public servant is changing such that the value of a robust, knowledgeable and impartial civil service is increasingly no longer valued and recognized.
- Employees want to be involved in designing solutions to the current mismatch of their mandates with allocated resources and capacities rather than being required to adhere to centrally developed “one size fits all” hiring restraint, constraint and related measures.

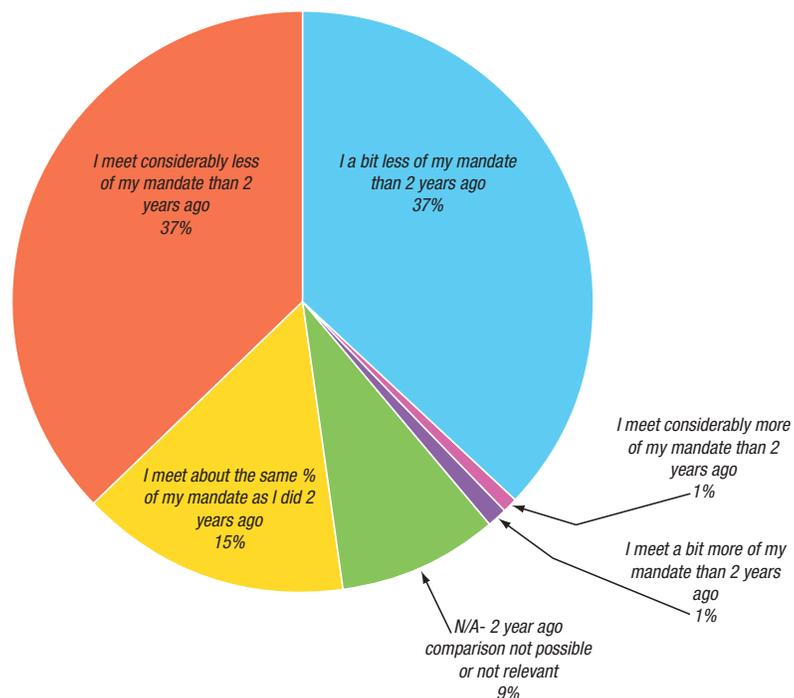
4. Fulfilling Mandates

The BCEEA wanted to know if employees were experiencing challenges in meeting their core mandates.

Again, differences by region and sector indicate some areas of concern – with Lower Mainland respondents stating, on average, that they are regularly meeting 67.7% of their mandates. Social/Health/Education respondents stated, on average, that they are regularly meeting 68.4% of their mandates.

Percentage of Core Mandate Met by Respondents							
	Central Interior	Vancouver	Lower Mainland	North East	North West	Vancouver Island	Victoria
Central/ Shared	82	67	70	86	65	68	76
Land Use Related	72	*	56	78	74	59	72
Financial and Economic	78	*	80	*	*	85	72
Social, Health, Education	70	71	65	58	65	83	67

We also asked people to compare this with two years previously. Almost three quarters (74%) of respondents indicated that they met a bit or considerably less of their mandate than two years previously, 15% about the same, while a further 9% could not make a comparison.

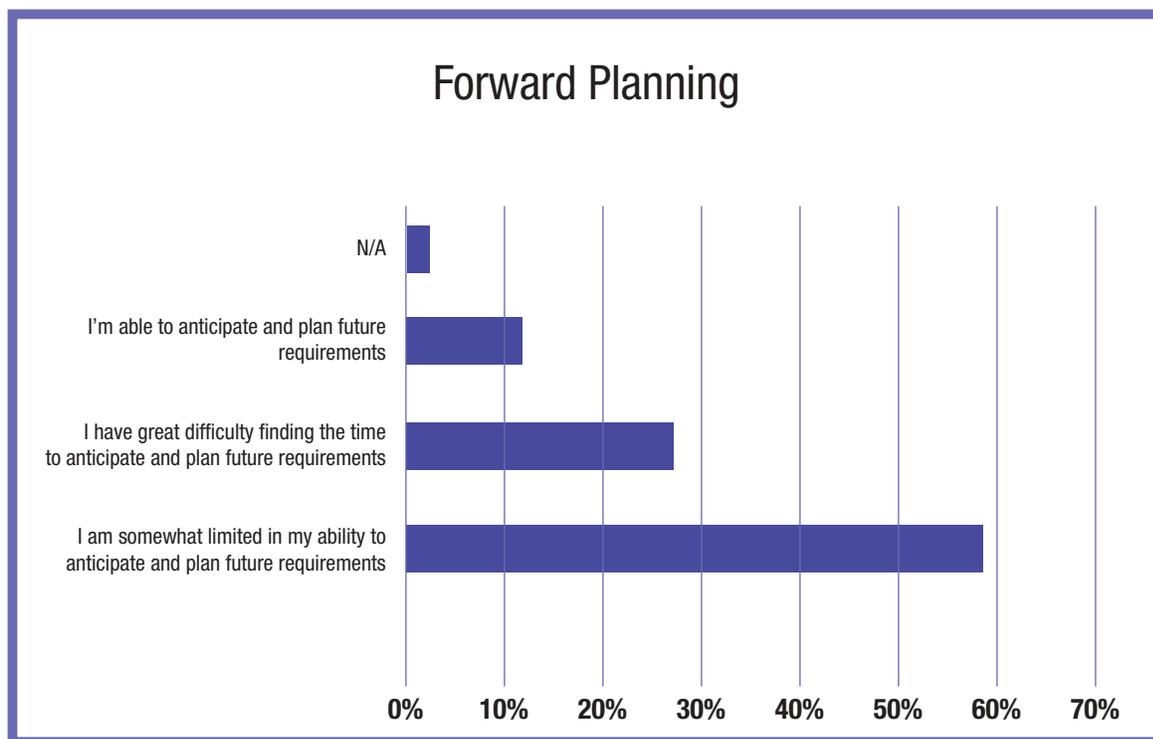


In the interviews, the impact of the freeze on the meeting of mandates was explored in greater depth. It was found that in some cases excluded employees are responding to the freeze by informally limiting the scope of their mandates. For example, limits to mandate scope were sometimes imposed by primarily responding to immediate crises rather than focusing on the overall wellbeing and needs of individuals. Another example of limiting mandate scope is in the area of statutory decision-making. In some cases, the background “due diligence” work to meet fundamental requirements for robust and defensible statutory decisions has been reduced to minimal standards, with the increased risk that quality decisions will not be made. Respondents often described it as risk managing portions of their mandate by focussing on “basic” or “immediate” levels.

The gap between declared mandates and the actual resources available to meet them is seen as critical. Many people expressed a desire for a serious re-examination of mandates - and for making and communicating decisions about what is and is not within scope for government service, rather than continuing with broad mandates and quality commitments that are unachievable.

5. Forward Planning

For many respondents, planning is seen as a pro-forma exercise. Excluded employees have limited resources, authority and opportunities for meaningful input, with many decisions now requiring executive level approval. Furthermore, excluded employees have very little time and energy to plan effectively because they are mostly in “survival mode”. Only 12% of respondents felt they could adequately anticipate and plan for future requirements, as shown in the following response data.



6. Effectiveness of Innovative Measures

Respondents were asked about the effectiveness of various innovative measures that are in place or are being put in place to assist in meeting service demands with available resources.

Innovative Measure Effectiveness - Responses (by percentage of respondents)				
	We're doing this and it's delivering the results we hoped for	We are not doing this so far	We have done this but it is not delivering the results we hoped for	N/A
New IT system to handle back-office work	8%	36%	23%	33%
Call centres or other centralized approaches to service	9%	24%	21%	46%
Business process review	18%	27%	34%	21%
Restructure the organization	13%	27%	42%	18%
New IT system directly interfacing with customers/partners	7%	30%	21%	42%

The general trends identified in the survey response were reinforced by the interviews.

There is significant support for business process innovation as a permanent component of the provincial government's management regime, but less support for a "top down/one size fits all" approach or methodology that does not recognize individual strategies or pre-existing and successful cultures of innovation. Several examples of the "top down/one size fits all" approach were identified by respondents: the prescriptiveness of the LEAN process and the "one size fits all" approach to managing FTE's. However, there is also concern about unrealistic expectations that more savings will be generated from process improvements when ministries and other provincial agencies and their programs have already been "cut to the bone". Instead, there is a need to re-think mandates, rather than continuously revamping business processes.

Technology is recognized as a potential ally in process improvement, but there is criticism of the way IT solutions have been developed and implemented. Often there is insufficient time to test and refine IT solutions - in particular, there is often a lack of time to initiate end-to-end process reviews so that an improvement for one part of the business does not inadvertently significantly increase time, effort and required resources at another part.

Although the concept of improvement in business processes and technology found support in the survey, this did not necessarily translate into support for the changes to business processes and technology that were actually introduced to the workplace. A comparison of the first and third column of the table above suggests that the institution of innovative business measures and technological changes has proved, in respondents' viewpoints, to be ineffective 2-3 times as often as it has been effective. With respect to the response in the "Not Applicable" (N/A) column, it is not entirely clear why respondents selected N/A. It is significant as it represents the highest single response category (42%) within the responses to the topic. We can assume the response was chosen because respondents are either unaware of any of these initiatives or their organization has not utilized them.

This may indicate there is little room for gaining further efficiency within the respondents' organizations.

Although there are concerns about the overall effectiveness of organizational restructuring, some respondents gave positive examples where the process has worked well – particularly the amalgamation of several ministries and program areas to create the Ministry of Forests, Lands and Natural Resource Operations.

C. Going Forward

Based on input from BCEEA members and other excluded employees, the title of the report “Running on Empty” is appropriate because it reflects the current situation so well. As an illustration of the current challenge faced by the provincial government, many respondents used the image of a car: “We’ve built a Cadillac, but don’t have the gas to run it.” Many respondents also suggested that mandates and service commitments should be drastically pruned, given the available resources.

A clear and consistent theme that emerged from the study is that the contribution by BCEEA members and other excluded employees to the provincial government and BC citizens and communities is under-valued and under-recognized. The “squeezed middle” of the provincial public service is expected to get on with the job without receiving much in the way of thanks or appreciation. The wage freeze still very much rankles many excluded employees.

When asked what the elected administration and senior executives could do to help BCEEA members and non-member excluded staff respond to the challenges, the respondents were clear. The following issues are a consolidation of the points most frequently raised by the survey, interview and focus group participants.

1. Establish Reasonable Hours of Work Terms and Conditions for Excluded Employees

The study indicates that the number of hours that many excluded employees are required to work on an ongoing basis appears to be unhealthy and unsustainable in the long-term. Respondents stated that the elected administration and senior executives should stop expecting excluded employees to work still longer hours and make greater efforts based only on their goodwill and loyalty to the employer. The study indicates that in spite of messaging from ministry executives regarding the importance of maintaining “work-life balance”, there is very little balance between work and personal life for many excluded employees, with work consuming most of their time, whether they are officially on or off the job. As one respondent indicated: “the BlackBerry is on, and I call in to meetings even when I’m on holidays”. This situation has become exacerbated as a result of the FTE freeze. Managers are frequently taking on the responsibilities of their staff or superiors on top of their own full time jobs in an unsustainable effort to continue to meet the mandates of their work units.

Survey respondents made it clear that they would like the employer to establish reasonable maximum working hours per week or month for excluded employees. Study respondents emphasized that they are not interested in a rigid approach to managing hours of work similar to the approach taken with collective agreement staff. Many respondents also pointed out that little action has been taken by senior staff in their organizations to shield them from unreasonable work demands; and therefore, there is a pressing need for a corporate policy in this regard.

2. Provide Excluded Employees with Reasonable Hours of Work Flexibility

The Deputy Minister to the Premier and Head of the Public Service Agency assert that the ability to offer excluded employees flexibility in their work hours to meet the ebb and flow of work demands is possible under current policy and practice. For many excluded employees this is more myth than reality. Out of all of the interviews, only one example was identified where hours of work flexibility is reflected in practice. When asked why there are not more of these instances, many respondents indicated that their workloads are no longer characterized by ebbs and flows; and that mixed messages were often conveyed by executive and by BCPSA staff on the value of hours of work flexibility and on how best to implement it. In addition, there was a general belief by many respondents that even though hours of work flexibility is available as a management tool, there is a strong cultural norm against doing so on the part of executive staff resulting in no consideration being given to hours of work flexibility as a viable option.

3. Support Excluded Employees Taking Time Off in Lieu of Unreasonable Extra Hours Worked

Despite clarification by the BCPSA that paid leave for excluded employees was not tied to the BCGEU collective agreement and was hence less prescriptive and more flexible, there is little evidence that this practice is being used. Furthermore, some Ministries have issued directives that paid leave for excluded employees will not be considered. Although there is no technical barrier to excluded employees being granted paid time off - especially after extraordinary hours of work have been required, the study indicates that many senior managers (director and executive director level) don't know how to implement this practice fairly and transparently. There is little guidance or, in fact, encouragement that they use this potentially valuable and effective "tool" to support their excluded employees. Furthermore, there appears to be reticence by senior managers to address issues related to extra and unreasonable hours of work for excluded employees, despite evidence that they are struggling to meet expectations and demands associated with their working hours. This reluctance was attributed to a concern that precedents will be set regarding extra and unreasonable hours of work for excluded employees and the ongoing, unsustainable volume of work that precludes, during any period, any time being taken off by excluded employees in lieu of unreasonable extra hours worked.

4. Let Managers Manage

Excluded managers and others want to have more autonomy to manage their resources. These managers understand the need for resource control and reduction measures, but feel that they would be able to more effectively continue to meet service goals and expectations with reduced funds if they could manage them at the divisional and branch level. "Give us our targets and let us manage" is a common refrain by the study's participants. They also believe they could manage creatively, given the flexibility and autonomy to do so. For example, they suggest that managing human resources through the application of budget targets rather than FTEs could allow for greater flexibility to respond to peaks and valleys in demand.

Furthermore, ongoing hiring limitations should be more sensitive and flexible to accommodate individual circumstances and be decided on a cost/benefit basis, ideally within a savings target at a more immediate level. For example, a transfer from a higher paying ML position into a lower paying position in a priority program area should receive approval. Special cases need to be addressed, such as northern recruitment and hard to fill roles of specific occupational groups.

The majority of participants believe that letting them make key human resource management decisions would achieve better results for government.

5. The Salary Freeze is Perceived as Devaluing and Disrespecting Excluded Employees

Excluded employees believe that the continuation of the salary freeze sends a negative message about the value that the elected administration and executive leaders place on excluded employees' loyalty, perseverance and hard work. The issue most commonly raised by survey respondents is the contrast between the sometimes heroic efforts excluded employees, including executive directors, directors and managers, are making to bridge the FTE gaps to ensure service delivery and the lack of recognition in the form of a modest salary increase. In addition, the salary freeze has increased the problem of salary compression faced by many excluded managers who are being paid less than their direct reports, despite the fact that they are ultimately responsible for overseeing their work. The majority of respondents indicated that removing the salary freeze within reasonable parameters would go a long way to restoring their belief that BC provincial government excluded employees are being treated fairly by the employer.

6. Excluded Employees want a Collaborative Approach to Finding Solutions

BCEEA members and other excluded employees want to be “part of the discussion” – not just told what to do. The study indicates they want to actively engage in a conversation on how best to meet the significant challenges the public service faces. They are not resistant to change; but they want to be sure that change is based on a sound understanding of both the benefits and costs, so that intended results are effectively and efficiently achieved with the least cost and the greatest chance of success.

The BCEEA presents this information to ensure that BC Public Service decision-makers have a clear picture of the issues that are most pressing to BCEEA members and other excluded employees. It is hoped that this report encourages dialogue among excluded employees and senior government executives.

The BCEEA has been privileged to hear directly from its dedicated members and other BC government excluded employees who have expressed, above all else, their desire and commitment to serve the citizens of British Columbia to the best of their ability.

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