HCPC 2015 Employee Exit Interview Report

| Section | | Page |
|---------|-------------------------|------|
| 1. | Introduction | 3 |
| 2. | Scope | 3 |
| 3. | Employee turnover rates | 3 |
| 4. | Summary of findings | 3 |
| 5. | Analysis of data | 4 |
| 6. | Conclusions and actions | 11 |

1. Introduction

Employees who leave employment with the HCPC voluntarily are encouraged to take part in a confidential exit interview, either with a member of the Human Resources department or with their line manager. Numbers of leavers and leaving reasons are monitored on a monthly basis, and an annual exit interview report is produced after the end of each financial year.

2. Scope

This report focuses on those employees who chose to leave the organisation voluntarily during the last financial year. During the period 1 April 2014 to 31 March 2015, 34 employees left the HCPC voluntarily out of a total of 46 leavers.

Of the 34 voluntary leavers, 24 completed an exit interview (71%). The analysis in the following report therefore covers feedback from those 24 individuals.

3. Employee turnover rates

The rate of voluntary employee turnover decreased from 17% to 15% over the course of 2014/15, and the figure has continued to decrease with the current figure at 12% (September 2015).

The HCPC voluntary employee turnover rate of 12% is now in line with the national voluntary turnover rate of 12.5% for 2013¹. The latest national turnover rates for 2014/2015 from the same source are not yet available, however the HCPC's rate will continue to be monitored closely, with the updated national figure taken into consideration when released.

The HCPC's overall turnover rate, which includes compulsory leavers, also decreased to 18% at the end of 2014/15 and has further decreased to its current point of 16% (September 2015). This is now lower than national overall turnover rates of 20.6%^{1.} This is encouraging as in general labour turnover rates in London and the South East tend to be slightly higher than national averages.

Summary of main trends and findings

Data collected from leavers showed that the most frequently cited reasons for employees leaving the HCPC voluntarily were; enhanced opportunity in another role (54%) and Salary (42%).

The other frequently cited categories which 21% of voluntarily leavers selected were commuting problems and lack of advancement.

A small minority of employees mentioned issues such as their relationship with their line manager and lack of challenge as contributing to their decision to leave.

Overall however, attitudes of most people leaving the HCPC remain positive towards the organisation. Organisational culture, relationships with colleagues and managers, work/life balance, HCPC benefits and job security were rated highly by leavers.

¹ Labour Turnover rates: 2013 and 2014 XpertHR surveys

4. Analysis of data

The following section summarises the responses to the standard exit interview questions, over the period 1 April 2014 - 31 March 2015, and provides some analysis of the key trends identified amongst the 24 voluntary leavers who completed the exit interview.



Question 1: What factors contributed to your decision to leave the HCPC?

Main Reasons for Leaving

The chart above shows the main factors affecting employees' decisions for leaving the HCPC in 201/2015. Employees were able to select more than one reason. The reasons most cited were as follows:

| 2015 | | |
|--------------------------|----------|--|
| Factor | Cited by | |
| Enhanced job opportunity | 54% | |
| Salary | 42% | |
| Lack of advancement | 21% | |
| Commuting problems | 21% | |

This is broadly in line with the top factors cited most in the two previous years (2013/2014 and 2012/2013) as follows

| | Year | |
|--------------------------|------|------|
| Factor | 2014 | 2013 |
| Enhanced job opportunity | 54% | 52% |
| Salary | 46% | 42% |
| Lack of advancement | 38% | 37% |
| Lack of challenge | 31% | 32% |

'Lack of advancement' has dropped from being mentioned by 38% in the previous year to 21%. 'Lack of challenge' no longer appears within the top four reasons, replaced by commuting problems, which depends on individuals and their circumstances and is difficult for the HCPC to address.

Enhanced Job Opportunity

Enhanced job opportunity remains the most cited reason for leaving. The 'lack of challenge' and 'lack of advancement' factors which also rated highly last year were much reduced this year, which suggests more employees are leaving for the prospect of better roles elsewhere, rather than due only to perceived lack of opportunities at the HCPC.

In spite of some employees leaving for enhanced job opportunities, the HCPC continues to offer a high volume of opportunities for internal promotions and job changes, with the highest level recorded in the past year (see below). As the HCPC has a number of smaller departments there may be less opportunity for progression in these areas.

| Financial year | % of all vacancies filled by internal candidates |
|----------------|---|
| 2014/2015 | 58% |
| 2013/2014 | 43.5% |
| 2012/2013 | 37.6% |

Anecdotal evidence from recruitment agencies and from some recruitment campaigns run until March this year indicates that the job market is more buoyant for candidates compared to the previous two years and that there is more movement between organisations.

Salary

42% of leavers mentioned salary as contributing to their decision to leave. This is a slightly smaller percentage than the previous year (46%). Further comment on pay is provided in the 'Conclusions and actions' section of the survey.

Other Factors

The same two wholly negative factors mentioned in response to this question were raised this year when compared to last, with a slight percentage increase (although this relates to the same number of employees):

| Factor | Cited by |
|-----------------------------------|----------|
| Dissatisfaction with line manager | 13% (3) |
| Working conditions | 8% (2) |

Comments about dissatisfaction with the line manager relate to three different managers, and the HR department is either already aware of and addressing the concerns, or followed them up after the exit interview. Comments about working conditions related to workloads and a new work stream affecting one role, a matter which was highlighted to the department concerned and is being addressed.

Question 2: Who are you going to work for?

Of the 24 voluntary leavers who undertook the exit interview, 71% were going to work for a new employer. Of these, 42% were going to work for another type of organisation across all sectors and 29% were going to work for another regulator or professional/public body. This latter figure is a slight decrease on previous years.



Question 3: What position are you taking up?

42% of leavers were going into new roles which they considered to be a promotion, while 29% were going into roles which were at a similar level to the one they were leaving. The other respondents were either changing career or were not taking up a new position.

Question 4: How did you hear about the job?

Leavers heard about new jobs via the following methods:

| Online advertising | 50% |
|------------------------|-----|
| Word of mouth | 8% |
| Recruitment consultant | 17% |
| N/A | 25% |

Question 5: What is the remuneration package and benefits offered by your new employer?

46% of leavers went into roles which were paying higher salaries than they were receiving at the HCPC and 17% were going into roles which were paying a very similar salary.

This result ties in with the responses to question 1, where the two most selected reasons for leaving were 'enhanced job opportunity' and 'salary'.

Question 6: Could HCPC have done anything to encourage you to stay?

| Yes | 46% |
|-----|-----|
| No | 54% |

54% of leaving employees said that the HCPC could not have done anything which would have encouraged them to stay. This is lower figure than compared to 2013/2014 (69%).

Of the 46% who said they could have been encouraged to stay, the main comment mentioned by almost all those who answered 'yes', was that they would have stayed if there was a more clear path for progression/ promotion (10 out of 11 responses).

Question 7: How would you rate the following categories in your personal experience with the HCPC?

Leavers were asked to rate a variety of aspects of their working experience at the HCPC. The results are detailed below.



Positive Results

The following areas received the highest combined rating of either 'excellent' or 'good' when rated by employees.

| Area | Percentage |
|-------------------------------|------------|
| Relationships with colleagues | 96% |
| Relationships with managers | 88% |
| HCPC's culture | 79% |
| Work/ life balance | 79% |
| Job Security | 78% |
| HCPC's Benefits | 75% |

Less positive results

The areas which received the highest rating of either 'poor' or 'unsatisfactory from leavers were 'promotion prospects', 'manager's leadership' style and 'performance management'. 'Promotion prospects' ties in with the main reason for leaving identified under question 1. Perceptions of 'manager's leadership' style and 'performance management' are likely to be enhanced once the planned work on encouraging coaching management styles across the organisation gets underway.

Question 8: How could we have improved your experience at the HCPC? What you would like to see changed?

23 of the 24 leavers provided comments in response to this questions, across a variety of subject areas, including:

| Subject Area | No. of comments |
|---|-----------------|
| Positive/ supportive comments about their | 7 |
| experience of working at the HCPC | |
| Improvements to the work of the FTP department | 7 |
| Improvements to relationship with their manager | 3 |
| Suggestions to link pay to performance | 2 |
| Suggestions to improve available training | 2 |
| Improved salary | 1 |

Question 9: Would you consider returning to the HCPC in the future?

77% of voluntary leavers this year said that they would consider returning to the HCPC in future, an increase of 5% on the previous year's results.



Question 10: Would you recommend the HCPC as an employer?

87.5% would recommend the HCPC as an employer, whilst 12.5% answered 'maybe'. Notably none of the respondents said that they would not recommend the HCPC as an employer.



Question 11: Do you have any additional comments you would like to make?

Positive comments were made by 9 leavers and included the following:

- "Enjoyed time here, progressed and developed skills to the point can get more enhanced position... nice culture, most professional regulator"
- "Really enjoyed time at HCPC. The organisation and colleagues have definitely led to career development. Would not be going onto new job without the experience gained."
- "Fantastic place to work, can't fault... Manager has been the best I have ever had."
- "Happy with management, given all the support needed. HCPC always able to accommodate needs of employees."

There were also some less positive comments from 5 leavers, which largely reflected themes and comments reported earlier in the survey, or were quite specific to individual situations. More general comments included the following:

- "Issues not addressed mentioned to management but not taken on board. No transparency in the department. Difference between how managers are treated in department."
- "Work harder to ensure culture of HCPC is reflected in all departments. Consistent ways of working. Communication needs improvement, aware that we are working on this."
- "Some people feel they will never be promoted...need more comms between management and team members."

Conclusions and actions

Overall, attitudes of most people leaving the HCPC remain positive towards the organisation, with relationships with colleagues and managers both being rated particularly highly by leavers., The HCPC's culture, work/ life balance, job security and the HCPC's benefits were also rated highly. 87.5% of leavers would recommend the HCPC as an employer and 77% would consider returning to work at the HCPC in future.

The downward trend in employee voluntary turnover rates noted at the start of the report is encouraging, although this may not continue as the labour market continue to pick up.

The most frequently cited reason employees gave for leaving the HCPC voluntarily was enhanced job opportunity. This suggests that the main driver for leaving was positive rather than negative. Salary levels and lack of advancement were also given as contributing reasons.

The range of reasons given was varied and included some personal reasons, which was evident as 25% of leaving employees were not going on to a new role.

Promotion opportunities

As explained earlier in the report, 58% of all vacancies filled at the HCPC in 2014/2015 were filled by internal candidates already directly employed by the HCPC in another role. This is a high proportion and an increase on the previous year. Internal recruitment is recognised as a successful process and certain role levels continue to be recruited for internally only.

Following the 'Introduction to Manager' development programme set up last year, further commitment to investing in employees' learning and career development has been made with the appointment of a permanent Learning and Development Manager.

Pay

Salary was mentioned as a contributory factor for leaving by 42% of leavers, which is a slight reduction on the previous year (46%). The majority of employees were leaving for promotions and/ or looking for progression in their careers, which usually goes in hand with wanting to earn a higher salary.

The April 2015 average HCPC pay award was 2.75%, a reduction on the previous year's average (3.2%), but still significantly higher than the national averages in both the private (2.6%) and public sectors $(1.5\%)^2$.

We will continue to keep pay levels under close review and will monitor the relationship between pay awards/levels and voluntary turnover.

Work life balance

Work-life balance was rated higher than in previous years (79% of leavers rated worklife balance as excellent or good, compared with 65% last year). Flexible working applications have increased considerably this year with 43 employees (at September 2015) working some kind of flexible working arrangement, including part time working, compressed hours, alternating working days and varied working hours. This compares with 33 employees in September 2014.

Further work

The HR department continues to work to further enhance employees' experience at the HCPC and to address any trends emerging through exit interviews. Work planned over the coming year includes:

- Exploration of values based recruitment
- Enhanced learning and development function including more blended learning methods
- Encouraging a coaching styles of management
- Employee attitude survey

²Research carried out by QCG Ltd in February 2015. QCG – Quintige Consulting Ltd.