



Recruitment and retention

A public service workforce for the twenty-first century

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local and national services for the public. Our work covers local government, health and criminal justice services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we monitor spending to ensure public services are good value for money.

- 1 In a highly competitive labour market with low rates of unemployment, employers have to compete harder to attract and retain staff. Against this background, there are widespread reports of recruitment and retention problems across local public services, with a range of recruitment and retention initiatives in place.
- 2 But recruitment and retention remains a major challenge. We decided that we could provide most help for local leaders and managers who are struggling to recruit and retain staff by focusing on three key questions:
 - What do we know about the size and nature of recruitment and retention problems across the public sector?
 - What lies behind the key decisions to join, remain in or leave a public sector job?
 - What local approaches are proving successful in tackling recruitment and retention difficulties?

The public sector now

- 3 The public service workforce is changing. The proportion of the workforce employed by public sector employers is falling. Between 1981 and 2001 the proportion of the UK workforce employed in the public sector fell from nearly 30 to under 20 per cent.¹ Yet the number of people working to provide public services has increased. Many employees are now providing a public service while employed by a private company.

What do we know about staff shortages?

- 4 Information on shortages is collected by a vast array of organisations, using different definitions of a vacancy, and different methodologies. This makes it difficult to construct a consistent and comprehensive picture of the size of the recruitment and retention problem in the public sector. A more co-ordinated approach to data collection would be helpful, as would a shared definition of a vacancy. However, what is clear at the moment is that:
 - the demand for staff in public services is growing faster than supply;
 - the cost of living and increased employment opportunities exacerbate problems in London and the south east; and
 - the age profile of the public sector workforce means that problems will continue to grow if not coherently addressed.
- 5 The remedy for problems in overall demand and supply is inevitably long term. This does not mean that action can, or should, wait. Demand by local people and government for improved public services forces government and public sector organisations to take action to manage staff shortages quickly. In this context, focusing on problems which can be addressed in the short and medium term is critical. Looking at why people join and leave the public sector helps to identify these problems and tells us what we must get right to recruit, retain and motivate staff.

¹ Source: Economic Trends No. 583, June 2002

I liked the idea of having an impact on people's education, giving people a chance.

Former teacher

It has all got to do with job satisfaction and just getting on with it.

Potential public sector employee, final year university

My working hours are fairly flexible to be honest, and that is definitely a bit of a plus for me.

Senior health authority employee

There is too much outside pressure dictating what people have to do.

Current head teacher

I do (feel unrewarded in terms of pay) because teachers get paid more than we do.

Current social services employee

I think that if you're working flat out all of the time, you don't really get a chance to appreciate, or to be appreciated.

Former NHS nurse

Why people join

- 6 Our analysis shows that people consider how well a job or profession will match up against what they want from their working life, how well it is rewarded, and its image and status, weighing up this package against the other options that are open to them. The biggest single attractor for the people we spoke to was the opportunity to make a positive difference in the lives of services users, and for local communities – 42 per cent of people in our survey said that this was the main or secondary reason behind their choice of job. For 95 per cent of the people we spoke to, whether a job is in the public, private or voluntary sector is not the important factor. The critical recruitment issue is whether people will be able to make a positive difference in people's lives, in a job that satisfies them, and with a reward package that meets their needs.

Why people leave

- 7 Most public sector employers know little about why their staff are leaving – only one in five of the former public sector workers we interviewed had had an exit survey. Employers are missing a key piece of the information jigsaw that would help them to understand and improve the working experience of their staff.
- 8 There are six key factors in people's decisions to leave:
- the sense of being overwhelmed by bureaucracy and paperwork (half of our sample of former public sector workers identified this as the most important factor in their decision to leave);
 - insufficient resources, leading to unmanageable workloads;
 - a lack of autonomy;
 - feeling undervalued by managers, government and the public (68 per cent of the former public sector workers we spoke to thought that the image of their former profession would discourage new recruits);
 - pay that is not 'felt fair' compared with that of people doing similar work; and
 - a change agenda that can feel imposed and irrelevant.
- 9 Each of these negatives can remain a 'background annoyance' if people are contented with other aspects of their working lives. But if several of these factors combine, any single factor can shift from a background annoyance to the last straw.
- 10 These factors are not primarily 'pull' factors relating to compelling alternative work or life options. They are 'push' factors, influenced by the negative experiences that people are having in their public sector roles. Push factors are inherently more controllable than pull factors, so successful local action is possible.

The local response

- 11 We found that local employers are taking three types of initiatives:
- Improving recruitment
 - streamlining recruitment processes: London Borough of Lewisham
 - partnership with Jobcentre Plus: North Wales Police
 - widening the pool: Bradford Vision
 - flexible working: Winchester and Eastleigh Healthcare NHS Trust
 - Encouraging workers to stay
 - improving your image: Essex Social Services
 - managing sickness and stress: Blackburn, Hyndburn and Ribble Valley Healthcare NHS Trust
 - creating a progressive management culture: Dudley Social Services
 - cutting teachers' workloads: Huntington School
 - Making the most of the skills and capacity of existing staff
 - developing minority ethnic leaders: Camden and Islington Community Health Services NHS Trust
 - a shared supply teacher pool: London Borough of Enfield
 - community Paramedics: East Anglian Ambulance NHS Trust
- 12 The best responses we found demonstrate the interdependency of recruitment, retention, diversity, morale, motivation and performance improvement. They show that recruitment and retention are issues that go to the heart of the way that organisations are managed and led.

What does this tell us?

- 13 Our research suggests that the 'psychological contract' between employer and employee in the public sector is part of a wider, unwritten contract with Government, citizens and the media. Government and national bodies can play a key role in creating a positive image of public service work.
- 14 There are no simple solutions to recruitment and retention problems – no single action, and no single stakeholder, can resolve all of the issues alone. But there are four critical success factors for joint action: work experience must match people's expectations; the working environment must engage, enable and support staff; people delivering public services should feel valued, respected and rewarded; and the impact on staff of the shift to a mixed economy of provision needs to be actively managed.
- 15 Putting these factors in place is as much about leadership and changing the tone of the national conversation about public services as it is about human resources practices or pay. Our main report recommends action at national and local level.

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