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SOUTH AUSTRALIAN BUDGET IMPACT SURVEY

Report 2: Staff impact

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KEY FINDINGS AT A GLANCE

It is apparent from the results of this survey that the compounding effects of successive State Budget cuts is fuelling the loss of experienced staff at a faster rate than less experienced staff. This accelerates a pre-existing trend fuelled by the ageing of the workforce and the acceleration of the retirement rate of the baby boomer population. The combination of these influences has the potential to starve the public sector of the expertise and skills it needs to meet government and community expectations.

- More than half the respondents indicated the 2010-2011 State Budget affected their career intentions
    - Most of these were considering leaving the public sector via separation packages (17%), or resignation to seek work elsewhere (14%).
    - A further 10% were considering job change within the sector.
    - Public servants with more experience reported that they were most likely to leave either their jobs or the sector (in addition to those already contemplating retirement in the next five years)
- Staff cuts were the main contributing factor to changes in career intentions for almost one third of respondents.
- One-half of respondents indicated their work unit had experienced staff cutbacks in the preceding 12 months, with one-third of these being considered 'significant cutbacks' (around one-third reduction in staff).
    - Staff cutbacks were significantly related to changes in career intention. Almost 60% of those experiencing significant cutbacks were considering leaving the public sector or their current role, compared with one-third of those who reported no cutbacks.
- Almost half the respondents in inadequately staffed work units (or agencies) were considering leaving their current job or the public sector, compared with less than 40% in adequately staffed areas.
- Only a quarter of respondents indicated they were almost always satisfied with their current work and workload. These individuals were less likely to consider job change or departure from the public sector suggesting that job satisfaction plays a protective role from other work pressures. Noting that almost three-quarters of respondents did not get the benefit from this high level of job satisfaction.
- 28% of respondents reported they were never or rarely able to get through their workload in regular hours.
- Many felt their current work and workload had at least some impact on their stress levels, feelings of being overworked and their health and wellbeing.
- Staff cutbacks experienced as a result of the 2009-10 State Budget were viewed as having an overwhelmingly negative impact on the work and work unit, with further deleterious impact as a result of the 2010-11 Budget.
    - In some cases, respondents indicated additional personal effort meant they could deliver on the work they were responsible for, but were aware that this was not possible within the broader work unit.
- In terms of personal impact, it is evident that respondents believe that the State Budgets brought down for 2009-10 and 2010-11 had negative implications.
    - As a result of the 2009-10 Budget, 44.8% of respondents indicated confidence in their employer was very negatively impacted, this was compounded by the 2010-11 Budget with 55.5% of respondents indicating very negative impact.
    - As a result of the 2010-11 State Budget, one third of respondents reported a very negative impact on their morale, while one quarter of respondents indicated very negative impacts on their stress levels and the pressure they experienced at work.

Respondents were a representative cross-section of PSA members, with 3,380 members taking part. They were currently working an average of 2.7 hours overtime per week, with 85% of all overtime being unpaid. More than half the respondents reported that their work unit and/or their agency were inadequately staffed prior to the announcements in the 2010-11 State Budget.

1 INTRODUCTION

The *South Australian Budget Impact Survey* was developed collaboratively with the Public Service Association (PSA) of South Australia. It consisted of a number of multiple and free response questions exploring the perceived impact of the South Australian Budget for 2010-11 on the delivery of State Government services to the community, and the impact on the work quality, workload and work satisfaction of employees.

This report focuses on the perspectives of PSA members on the impact of the State Budget on staff. A previously released companion report considers the effects of the State Budget on the delivery of Government Services.

2 METHODOLOGY

The survey was tested with a working group of PSA members to ensure questions and response options were appropriate, and the online survey was free of technical problems. Minor revisions were made to the survey as a result of feedback from this process. On 1 December 2010, approximately 13,000 PSA members from South Australian Government funded agencies received an invitation to participate in the survey, with a web-link to the *Survey Monkey* site. Two emails were subsequently sent, thanking those who had already participated and reminding those yet to complete the survey. The survey closed on 22 December 2010.

3 SURVEY FINDINGS

Respondents were a representative cross-section of PSA members, with 3,380 members taking part. They were currently working an average of 2.7 hours overtime per week, with 85% of all overtime being unpaid. More than half the respondents reported that their work unit and/or their agency were inadequately staffed prior to the announcements in the 2010-11 State Budget. More details about the respondents personal and workplace characteristics are presented in Section 4 and the Appendices.

3.1 BUDGET IMPACT ON CAREER INTENTIONS

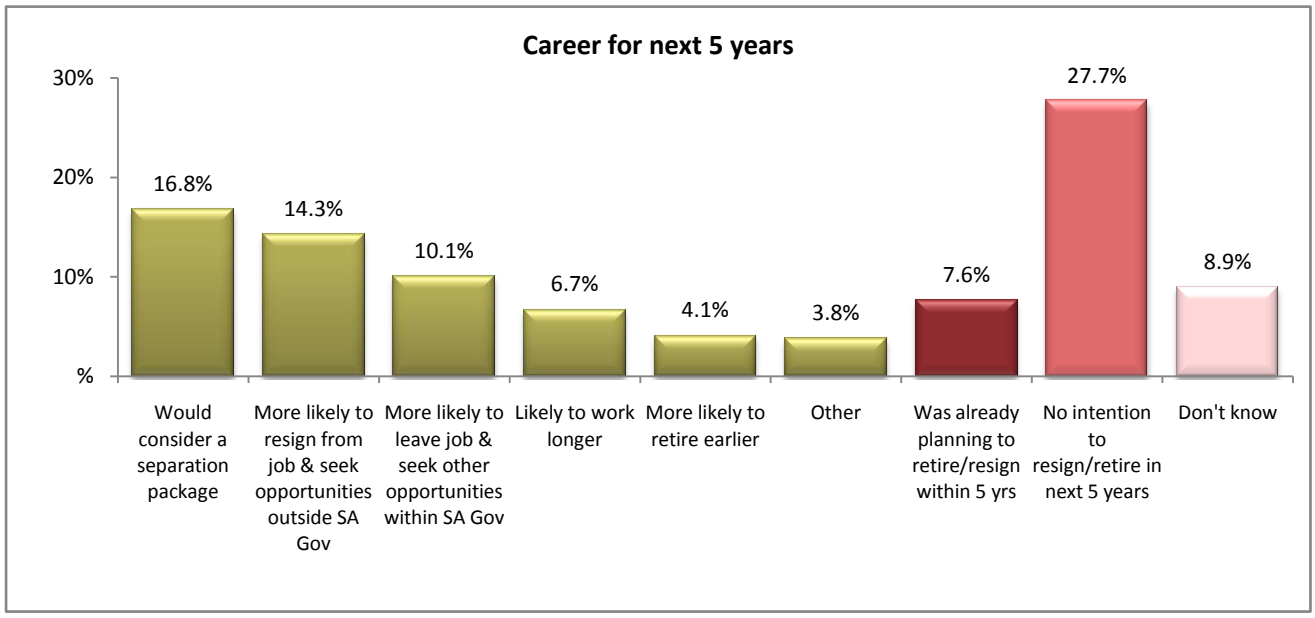
It is apparent from the results of this survey that the compounding effects of successive State Budget cuts is fuelling the loss of experienced staff at a faster rate than less experienced staff. This accelerates a pre-existing trend fuelled by the ageing of the workforce and the acceleration of the retirement rate of the baby boomer population. The combination of these influences has the potential to starve the public sector of the expertise and skills it needs to meet government and community expectations.

More than half the respondents indicated their career intentions had been affected by the 2010-2011 State Budget. Almost 17% of survey participants reported they would now consider a separation package, if it was available (see Figure 1). A further 14.3% were more likely, as a result of the Budget, to resign from their position in the public service and seek opportunities outside State Government. Just over 10% considered moving from their current job, into another position in State Government, and 4.1% indicated they were more likely to seek earlier retirement.

Whilst age and length of workforce tenure are significantly correlated, this relationship does not tell the whole story. There was *no* significant age difference between those who were considering either changing their role or leaving the public service altogether. However, there was a significant difference in terms of experience –

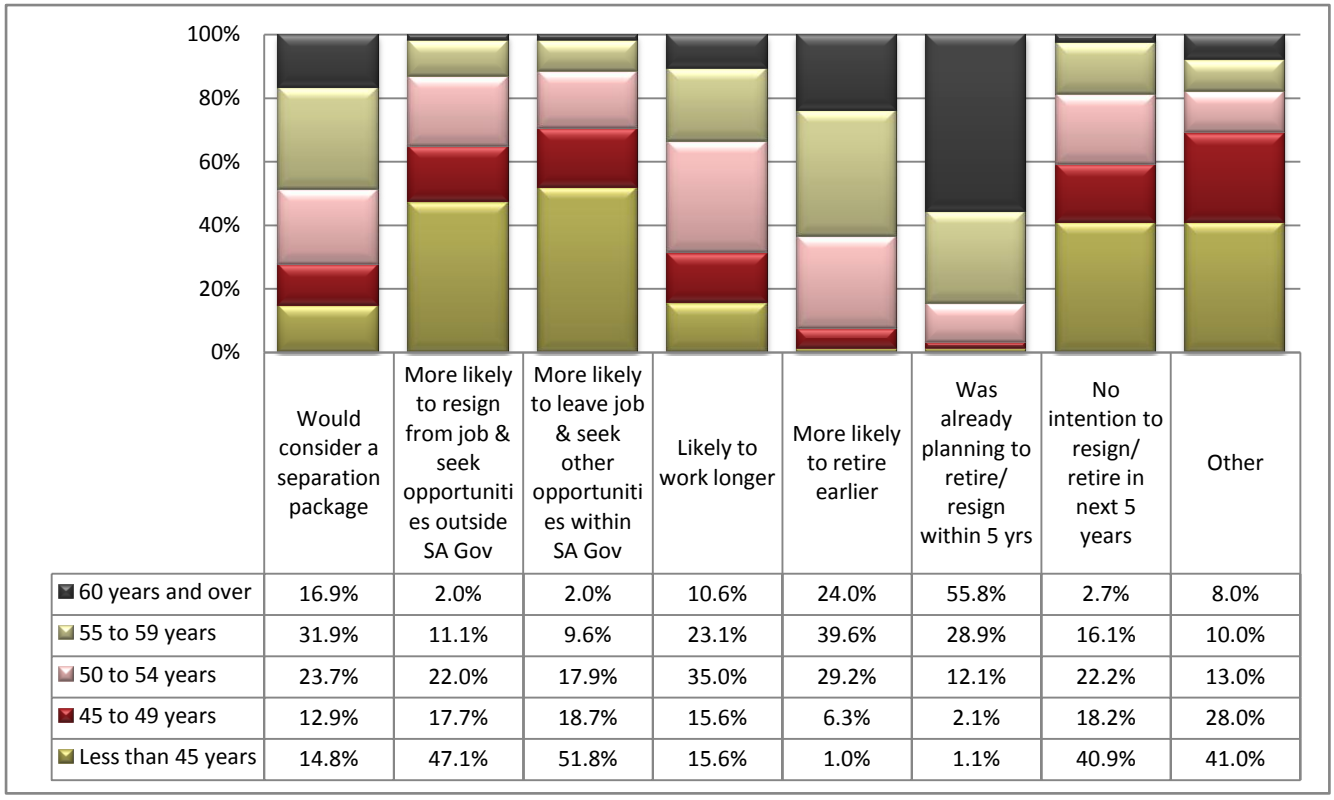
those who had been in the public service for longer were more likely to consider leaving their job or leaving the sector.

Figure 1: Impact of 2010-11 State Budget on public service employees career intentions for next five years



In terms of the older cohort of State Public Sector employees (ie those aged over 45 years), it is apparent that many were already considering retirement (see Figure 2). The prospect of a separation package is likely to have prompted a number into earlier retirement. Around 40% of the younger cohort (under 45 years) were considering their options for job change, both within the public sector (18.2%) and through resignation from the sector (23.1%).

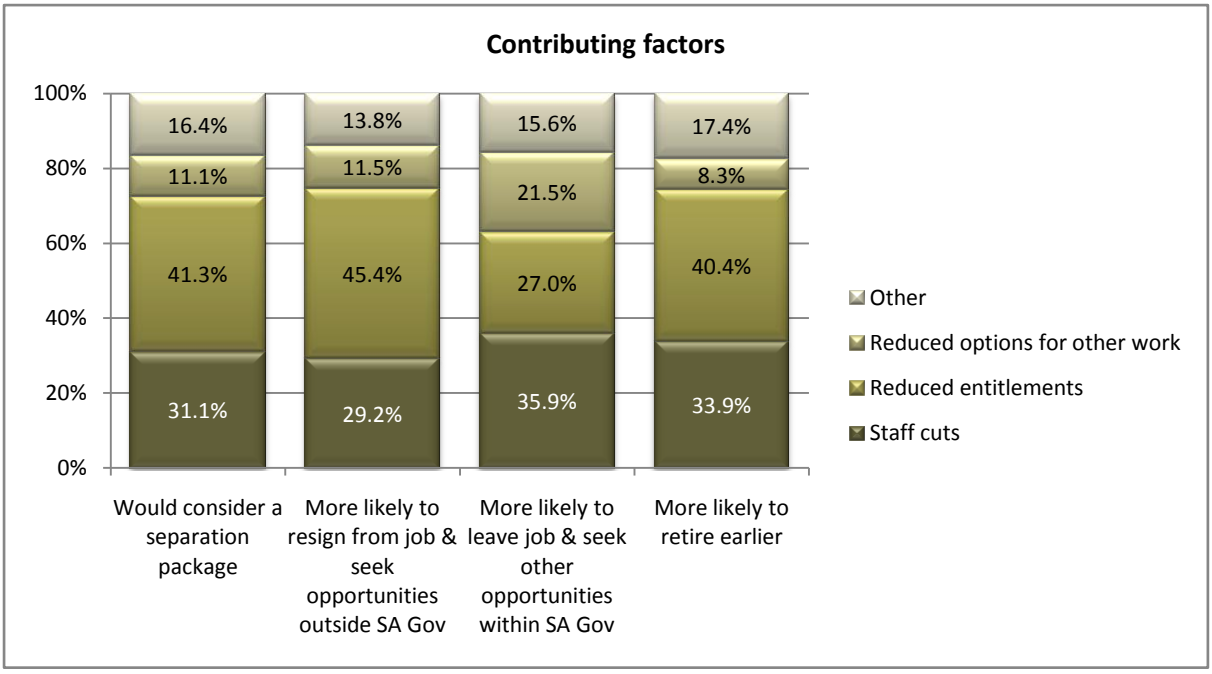
Figure 2: Impact of 2010-11 State Budget on public service employees career intentions for next five years by age



	Would consider a separation package	More likely to resign from job & seek opportunities outside SA Gov	More likely to leave job & seek other opportunities within SA Gov	Likely to work longer	More likely to retire earlier	Was already planning to retire/ resign within 5 yrs	No intention to resign/ retire in next 5 years	Other
60 years and over	16.9%	2.0%	2.0%	10.6%	24.0%	55.8%	2.7%	8.0%
55 to 59 years	31.9%	11.1%	9.6%	23.1%	39.6%	28.9%	16.1%	10.0%
50 to 54 years	23.7%	22.0%	17.9%	35.0%	29.2%	12.1%	22.2%	13.0%
45 to 49 years	12.9%	17.7%	18.7%	15.6%	6.3%	2.1%	18.2%	28.0%
Less than 45 years	14.8%	47.1%	51.8%	15.6%	1.0%	1.1%	40.9%	41.0%

Staff cuts were the main contributing factor to changes in career intentions for almost one third of respondents (see Figure 3). This was particularly salient for those who were considering changing jobs within State Government. Not surprisingly, reduced entitlements were less of an issue for this group, but they were particularly important for those considering resignation from the State public service, and seeking employment opportunities elsewhere, with 45.4% citing this as their primary motivation.

Figure 3: Main contributing factor for changing career intentions after the 2010-11 State Budget

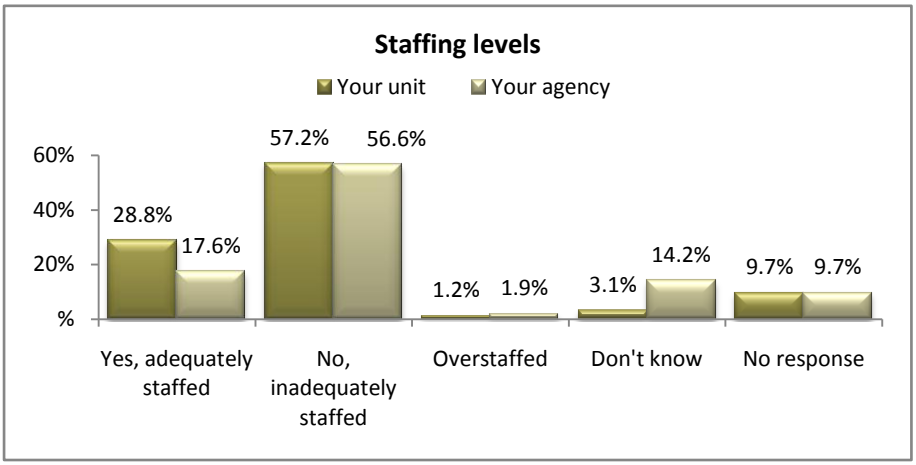


Other reasons provided for considering a *separation package* were dissatisfaction with management, inability to provide adequate services to the community and clients, and lack of respect. The potential availability of a separation package was also cited as an incentive. Public sector staff who were considering leaving the State Government for *other employment opportunities* indicated that there were multiple factors influencing them including lack of confidence in the government, and feeling that both they and the work they did was undervalued. Reasons for *remaining in State Government* but leaving their current position tended to focus on the culture, work load and expectations of their current role or work unit.

3.2 LEVEL OF STAFF CUTBACKS

More than half the respondents reported that their work unit (57.2%) and/or their agency (56.6%) were inadequately staffed prior to the announcements in the 2010-11 State Budget (see Figure 4).

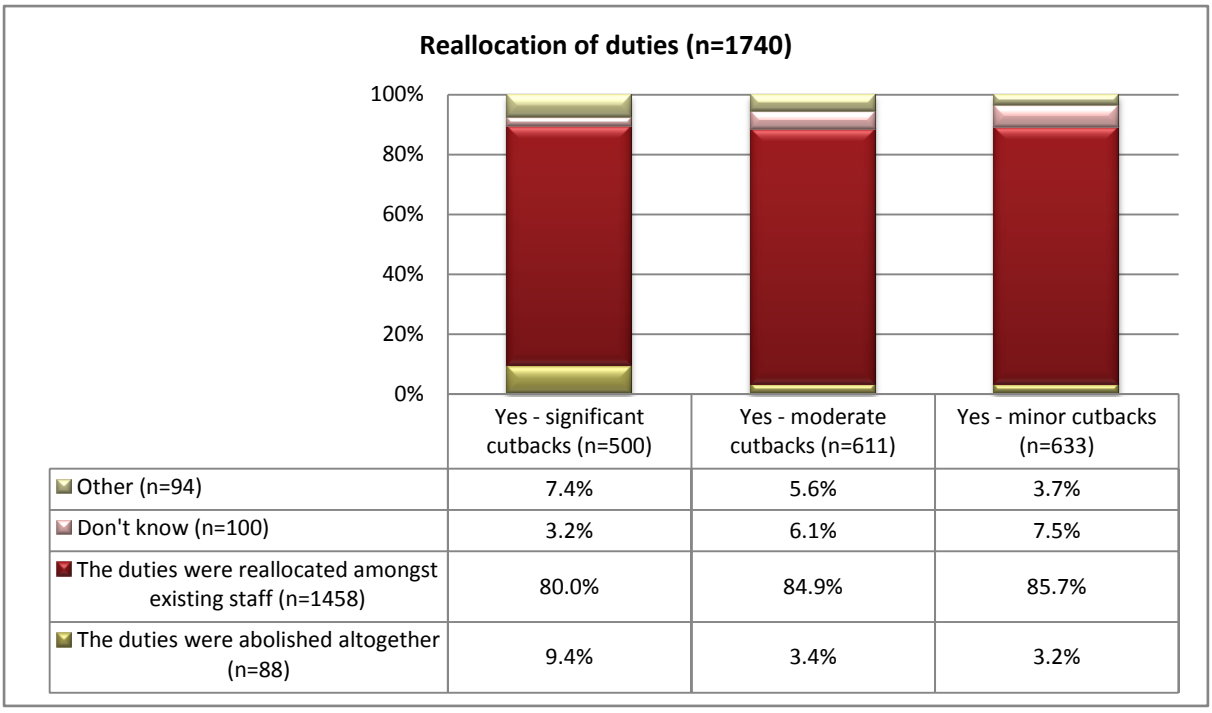
Figure 4: Staffing levels for respondent's unit and agency prior to 2010-11 State Budget



One-half of respondents (51.6%, n= 1744) indicated their work unit had experienced staff cutbacks in the preceding 12 months, with one-third of these being considered 'significant cutbacks'. Those reporting 'significant' cutbacks indicated that an average of one third of staff in their work unit had been cut in the past 12 months. Respondents reported 'moderate' cutbacks when their work unit experienced a 22% reduction in staff, and 'minor' cutbacks when 17% of their staff were cut.

Figure 5 shows that in more than 80% of cases duties were reallocated amongst existing staff after cutbacks from work units. This was slightly less common when cutbacks were considered 'significant', and if this was the case, duties tended to be abolished all together. Of those who reported cutbacks in the previous 12 months, three-quarters believed that these cutbacks were directly attributable to the Budget (see Figure 6).

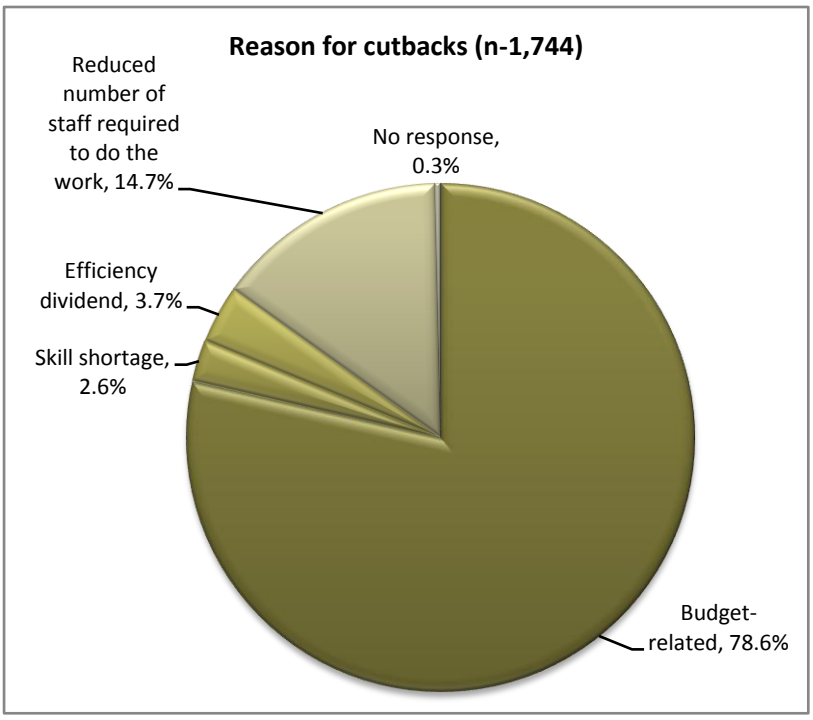
Figure 5: Reallocation of duties in work units experiencing cutbacks in previous 12 months



	Yes - significant cutbacks (n=500)	Yes - moderate cutbacks (n=611)	Yes - minor cutbacks (n=633)
Other (n=94)	7.4%	5.6%	3.7%
Don't know (n=100)	3.2%	6.1%	7.5%
The duties were reallocated amongst existing staff (n=1458)	80.0%	84.9%	85.7%
The duties were abolished altogether (n=88)	9.4%	3.4%	3.2%

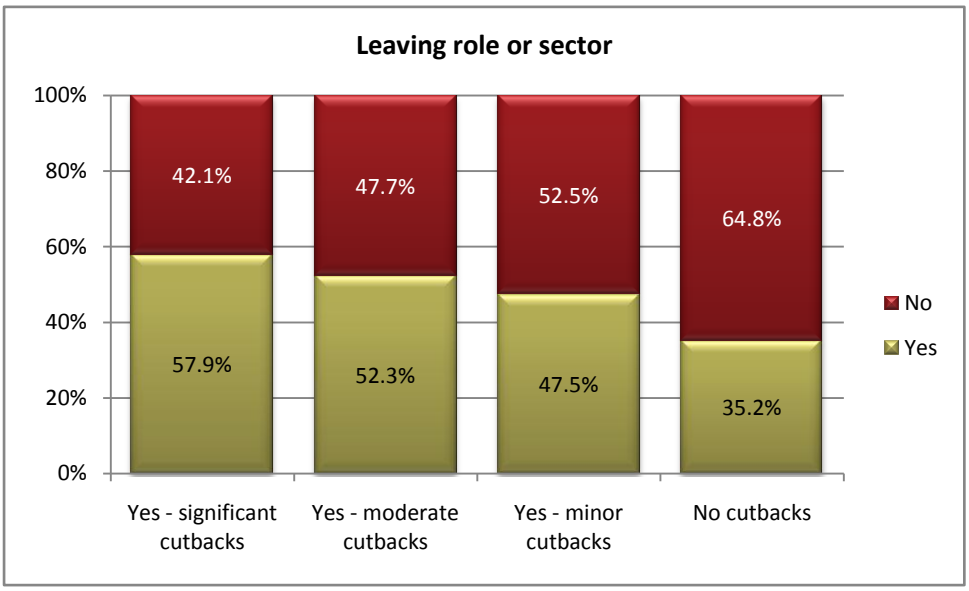
Note, 4 respondents provided no response regarding the allocation of duties, these are not included in the figure.

Figure 6: Main reason for staff cutbacks in the work unit



There was a significant relationship between experience of cutbacks in the previous 12 months and whether the respondent was considering role change within the sector or leaving the public sector altogether (see Figure 7). Respondents who reported cutbacks in the preceding 12 months were more likely to be considering these types of changes. This ranged from 57.9% of respondents whose work unit had experienced significant cuts, through to 47.5% of those experiencing minor cutbacks. In contrast just over one-third of those not experiencing cutbacks in the previous 12 months were considering leaving their role or the sector. This has serious implications for the additional cuts proposed in the 2010-11 State Budget.

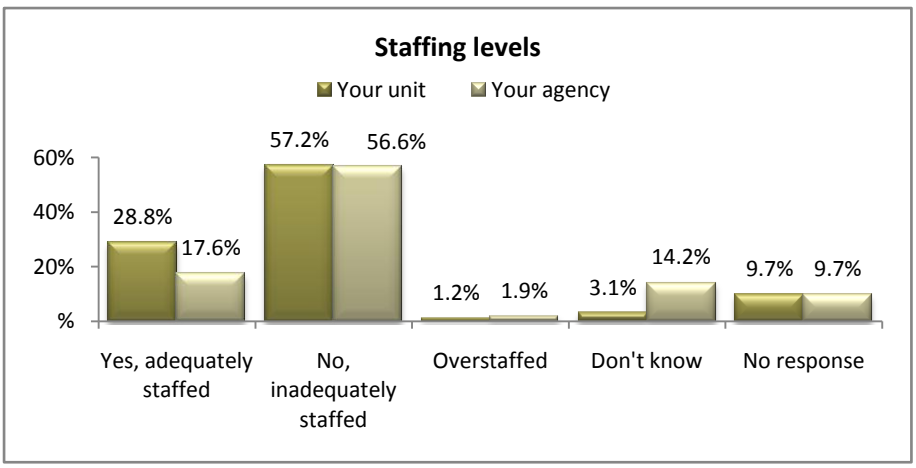
Figure 7: Relationship between cutbacks in previous 12 months and changing career intentions



Administrative work was common for respondents, and also the most common activity for the work areas of respondents. One-third of respondents (33.5%) reported usually being engaged in administrative work, while almost one-quarter worked in units predominantly engaged with administration (see Figure A 8).

More than half the respondents reported that their work unit (57.2%) and/or their agency (56.6%) were inadequately staffed prior to the 2010-11 State Budget. This factor significantly impacted decisions about leaving current work roles or leaving the public sector altogether, with 38.8% of respondents in adequately staffed work units considering leaving compared with 48.5% of those in inadequately staffed work units. Inadequately staffed agencies produced similar results (48.1% considering leaving) compare to adequately staffed agencies where only 36.9% were considering this option.

Figure 8: Staffing levels for respondent's unit and agency prior to 2010-11 State Budget



3.3 FEELINGS ABOUT WORK AND WORKLOAD

All respondents were asked to rate their feelings about their current work and workload. Responses are rated on a scale of 1 'Never' through to 5 'Almost always'. On a positive note, more than half the respondents (57.9%) indicated they were often or almost always satisfied with their jobs resulting in the best rating (3.7) for this scale (see Figure 9), with only 10% reporting they were never or rarely satisfied (see Figure 10). Respondents with high levels of job satisfaction were significantly less likely to consider job change or departure from the public sector indicating that job satisfaction protects individuals from other external work pressures.

Many respondents (45.5%) also believed their job allowed them to make a difference, with less than 20% believing this was never or rarely the case (see Figure 15). Fewer respondents strongly endorsed the statement indicating they were able to get through their current workload in regular hours (40.3%), with 27.7% of respondents rarely or never able to achieve this outcome (see Figure 13). This was not always seen to impact on the quality of work (see Figure 14). Although not always the case, the fact that the respondents' current work and workload had at least some impact on their stress levels, feelings of being overworked and their health and wellbeing, should not be overlooked.

Figure 9: Ratings about current work and workload

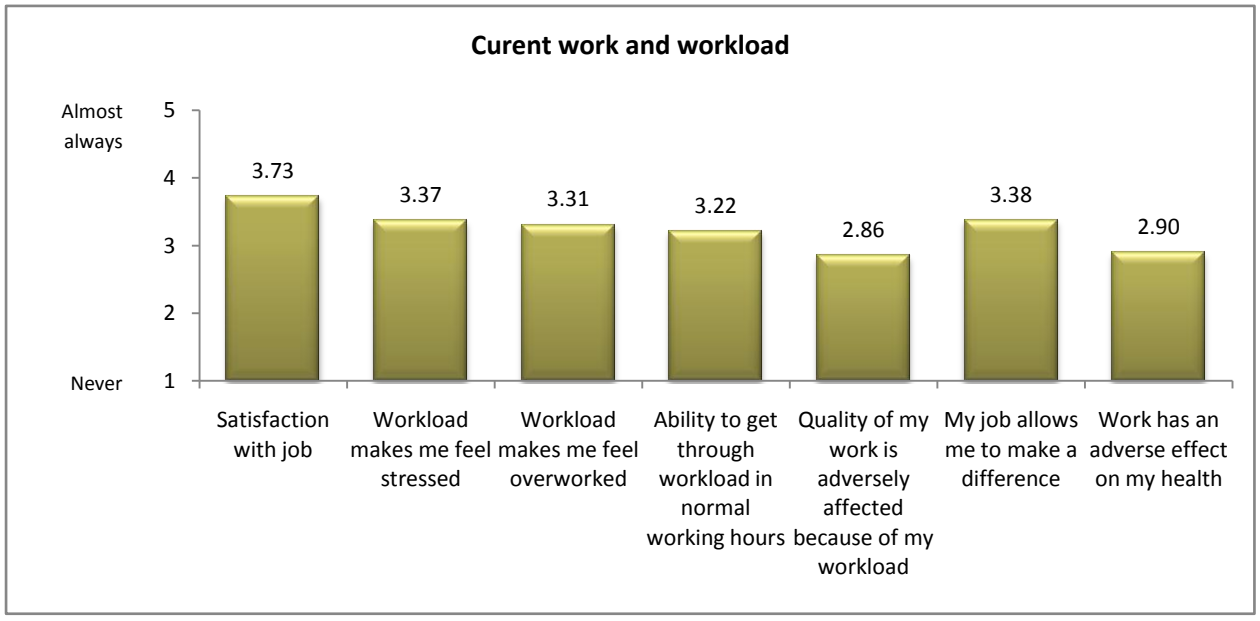


Figure 10: Satisfaction with current work and workload

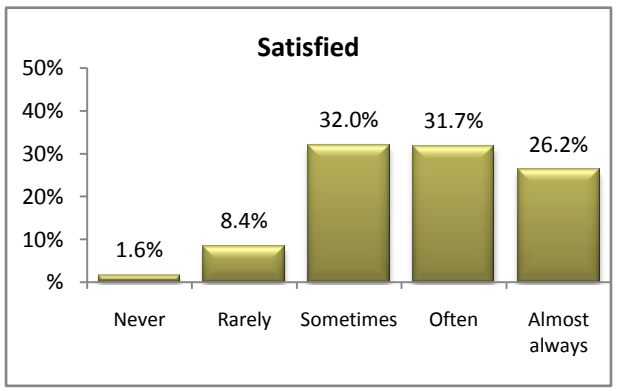


Figure 11: Stressed with current work and workload

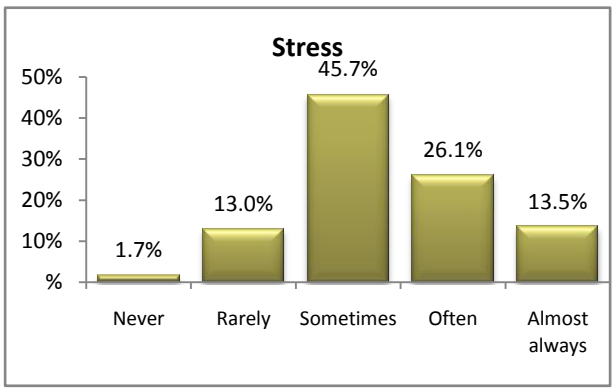


Figure 12: Feel overworked by current work and workload

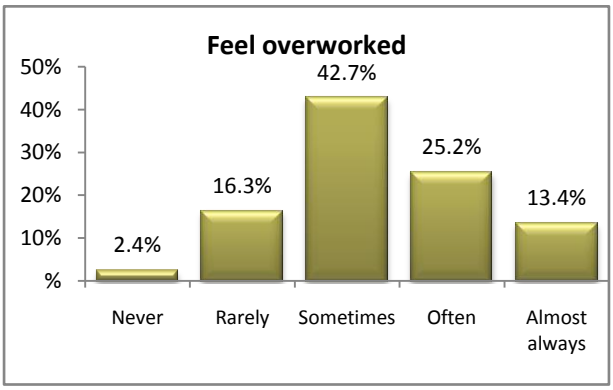


Figure 13: Able to get through current workload in regular hours

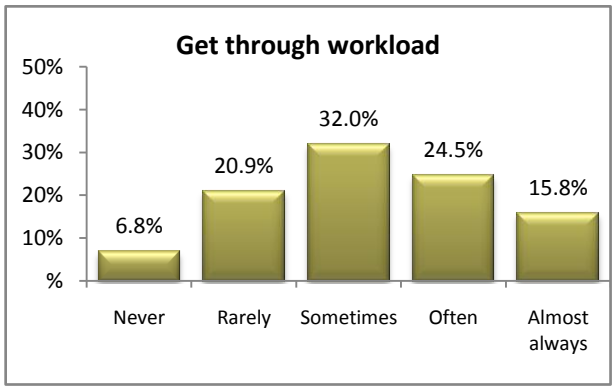


Figure 14: Quality of work adversely affected by current workload

Figure 15: Current job allows me to make a difference

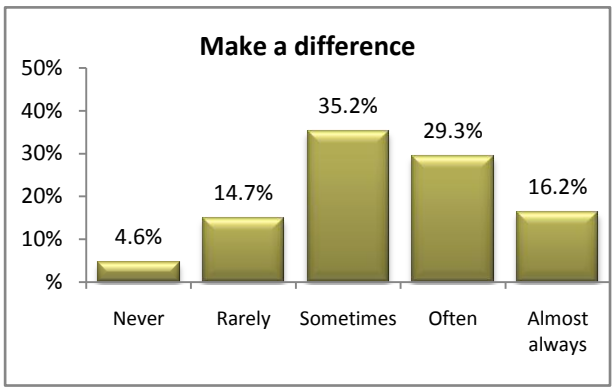
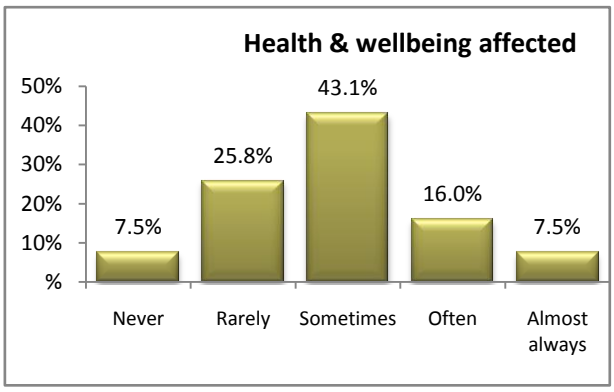


Figure 16: Current work has adverse effect on health and wellbeing



3.3.1 IMPACT OF STAFF CUTBACKS ON THE WORK AND WORK UNIT

Respondents who indicated their work unit had experienced staff cutbacks as a result of the 2009-10 State Budget described the impact of these cutbacks on their work and their work unit over the last 12 months. This is compared with the expected impact of the 2010-11 State Budget cutbacks, with responses rated on a scale of 1 'Very negative impact' through to 5 'Very positive impact'.

As evident in Figure 17, the cutbacks experienced as a result of the 2009-10 State Budget were viewed as having an overwhelmingly negative impact.. The negative implications were most evident in the impact on the *ability of the work unit to cover regular and unplanned job absences* and on the *efficiency in the work unit* as a whole (see Figure 18 and Figure 19). Where the respondent had the ability to display some personal control, the results were slightly more positive. This suggests that while individuals are experiencing Budget cutbacks negatively, they are putting in additional personal effort to ensure they are able to deliver on the work they are responsible for. However, they recognise the inability of the work unit, more broadly, to respond to repeated cutbacks.

Figure 17: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *work and the work unit* in the last 12 months and in the future

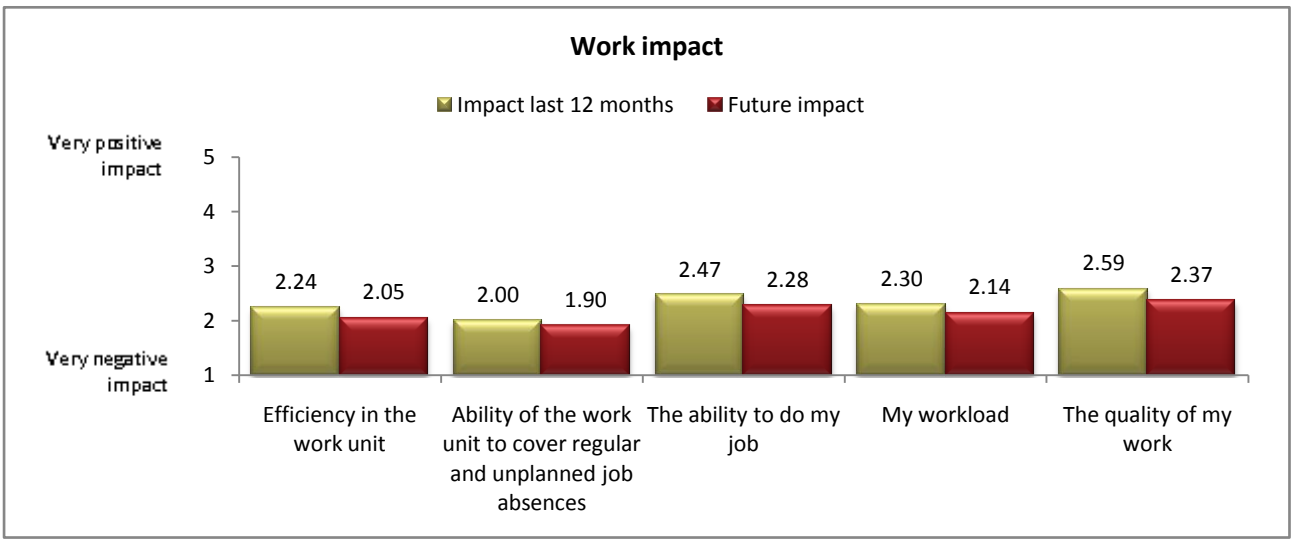


Figure 18: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *efficiency in the work unit* in the last 12 months and in the future

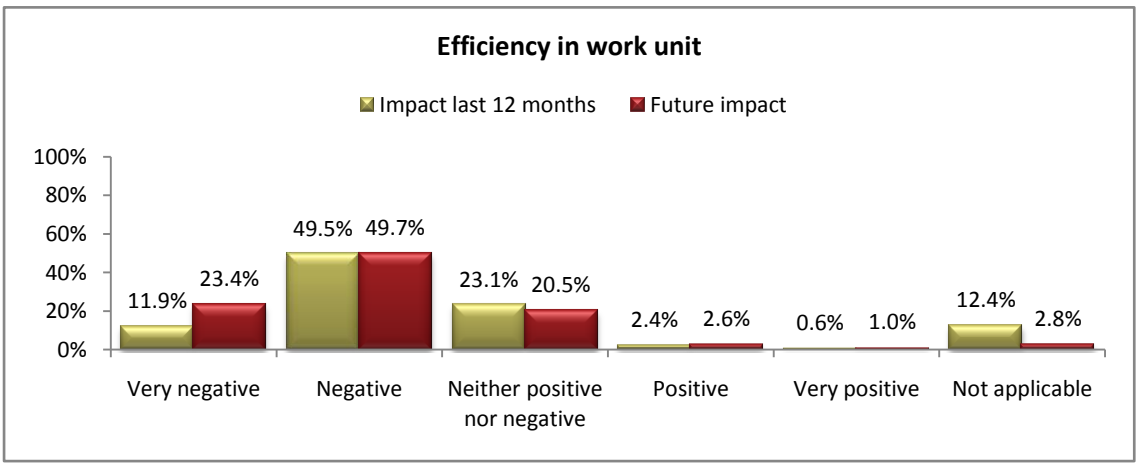


Figure 19: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *the ability of the work unit to cover regular and unplanned job absences* in the last 12 months and in the future

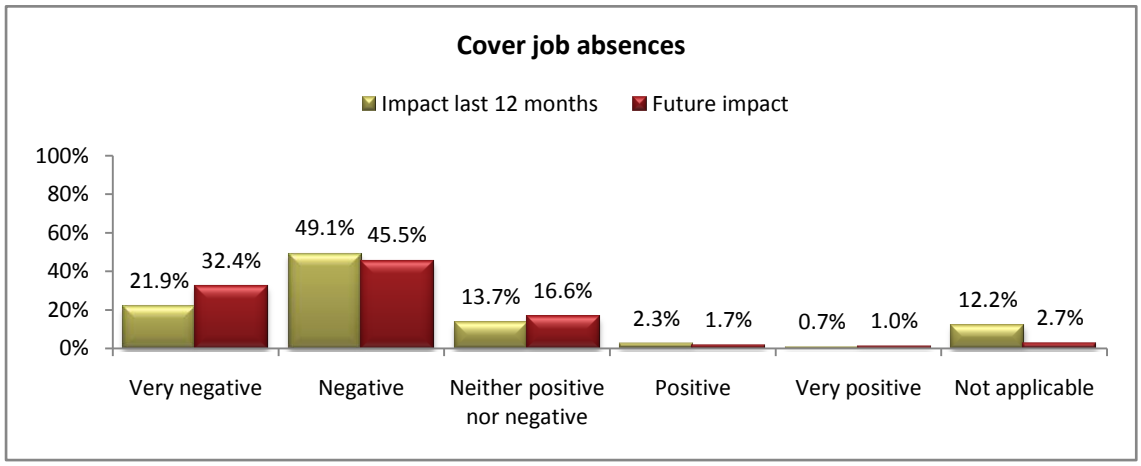


Figure 20: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *my ability to do my job* in the last 12 months and in the future

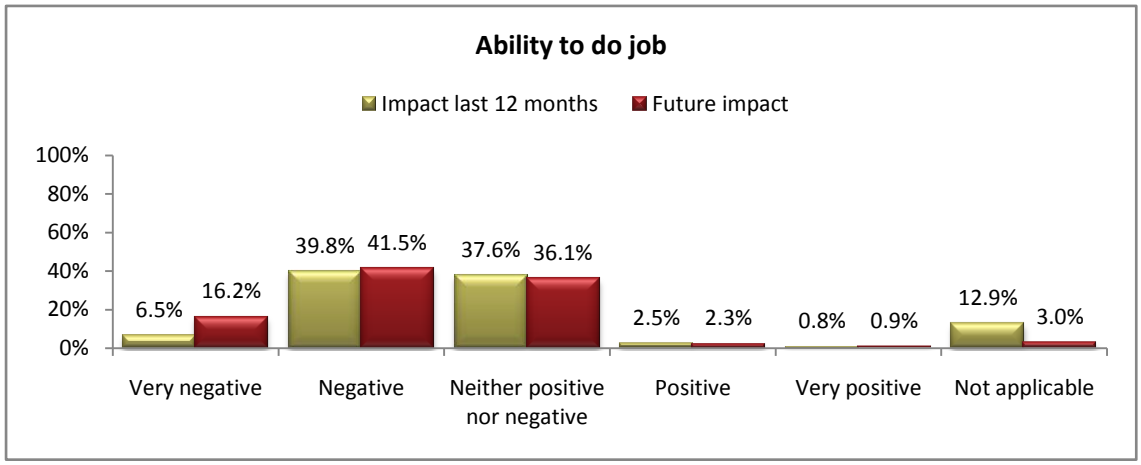


Figure 21: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *my workload* in the last 12 months and in the future

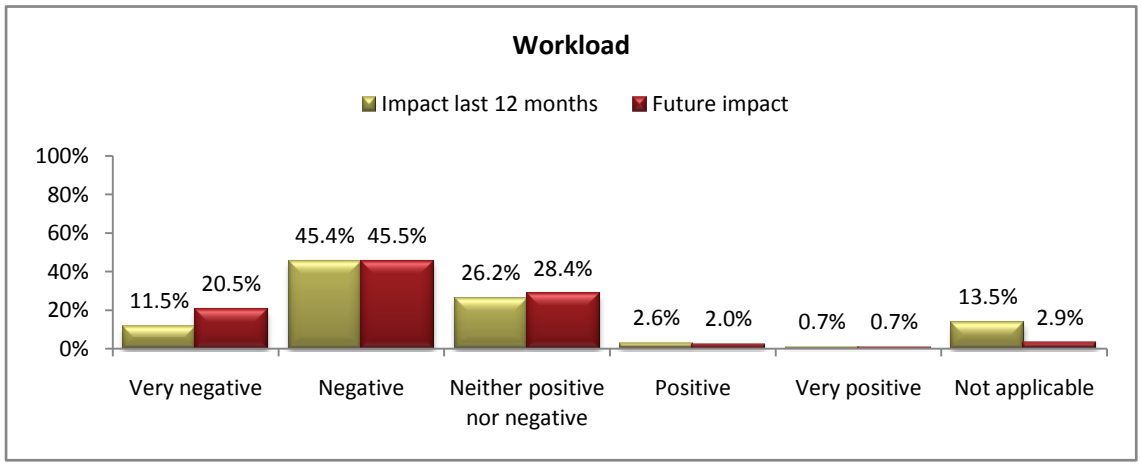
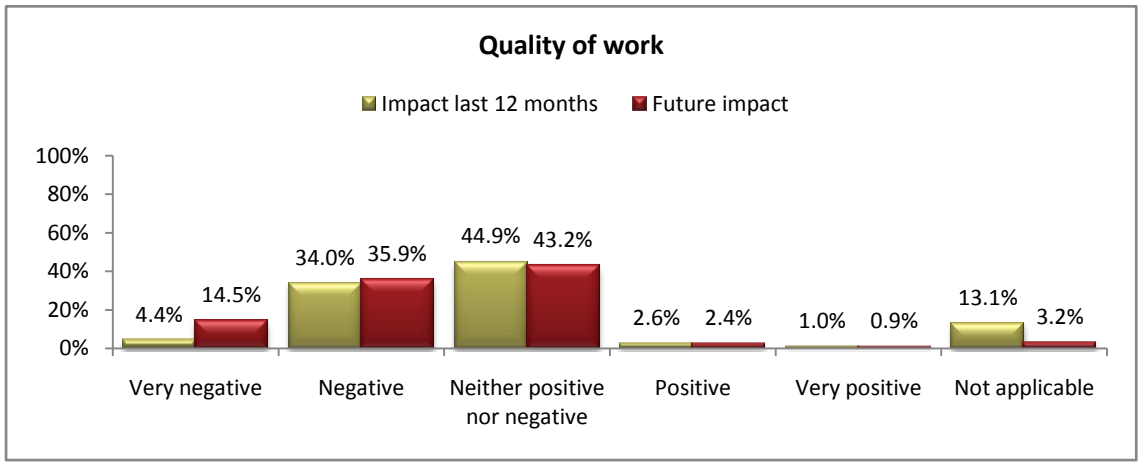


Figure 22: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *the quality of my work* in the last 12 months and in the future



3.3.2 IMPACT OF STAFF CUTBACKS ON STAFF

This section explores the results of staff cutbacks from the last two State Budgets on the personal experience of respondents in terms of morale, satisfaction and confidence. Responses are rated on a scale of 1 'Very negative impact' through to 5 'Very positive impact'.

In terms of personal impact, it is evident that respondents believe that the State Budgets brought down for 2009-10 and 2010-11 had negative implications (see Figure 23). In fact less than 4% of respondents indicated that any of these items had positive impact. At the most extreme end of the scale respondents' *confidence in the SA government as an employer* was very low. As a result of the 2009-10 Budget, 44.8% of respondents indicated confidence in their employer was very negatively impacted, this was then compounded by the 2010-11 Budget with 55.5% of respondents indicating very negative impact at this time (see Figure 29).

As a result of the 2010-11 State Budget, one third of respondents reported a very negative impact on their morale (see Figure 27), while one quarter of respondents indicated very negative impacts on their stress levels (see Figure 26) and the pressure they experienced at work (see Figure 25).

Figure 23: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *staff* in the last 12 months and in the future

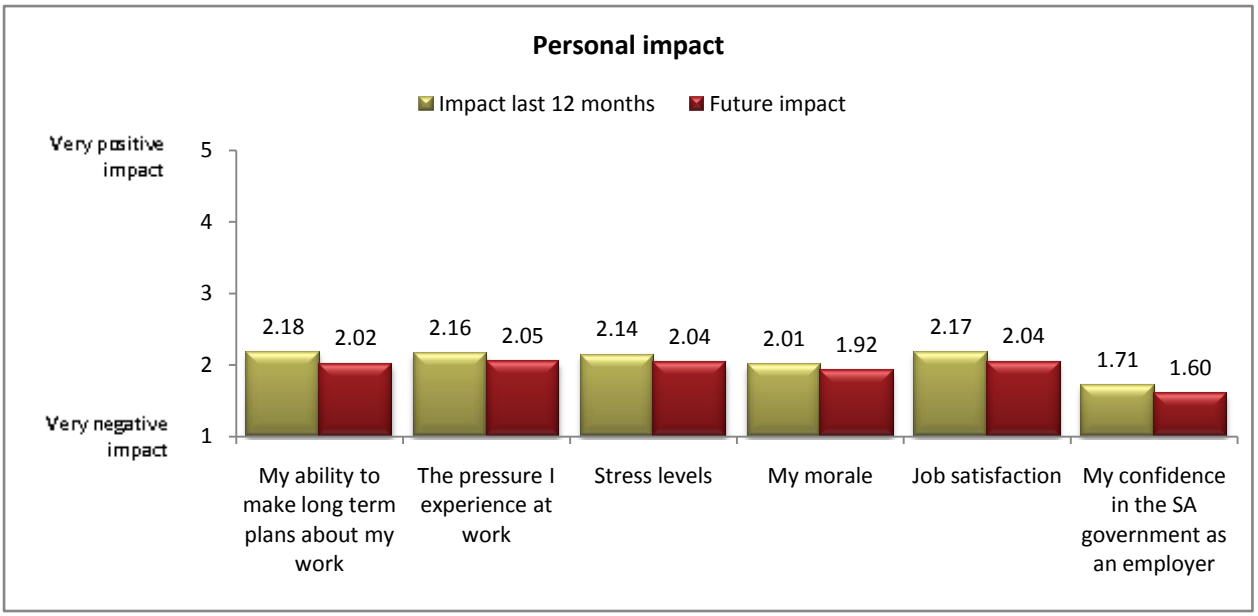


Figure 24: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *my ability to make long term plans about my work* in the last 12 months and in the future

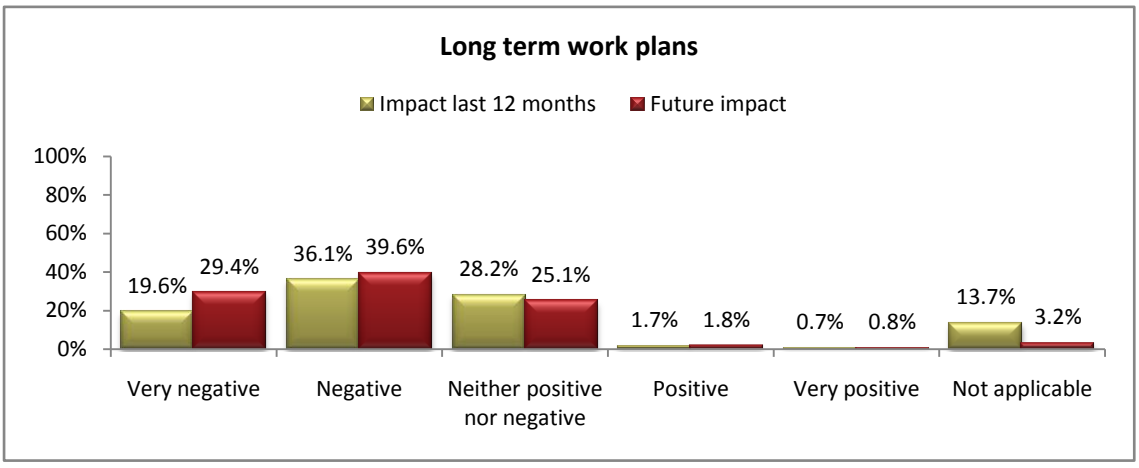


Figure 25: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *the pressure I experience at work* in the last 12 months and in the future

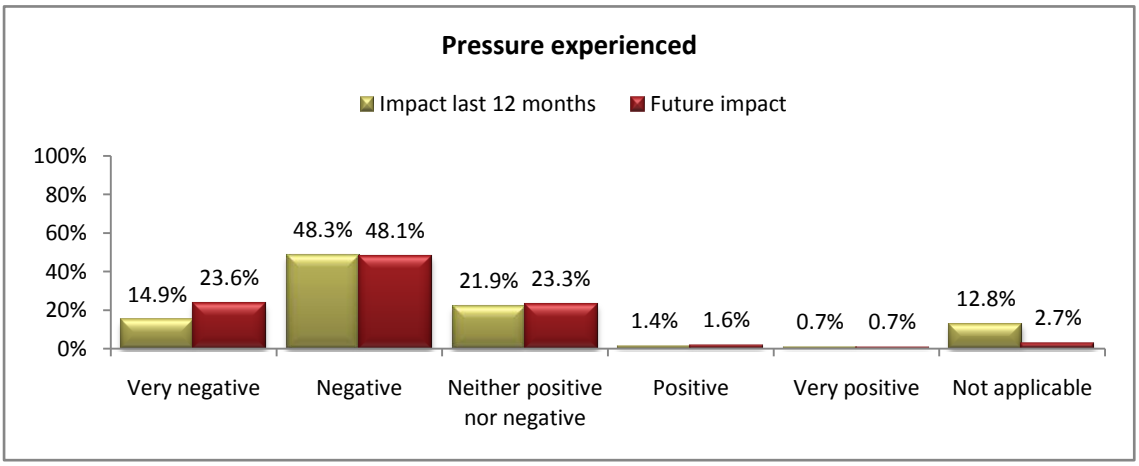


Figure 26: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *my stress levels* in the last 12 months and in the future

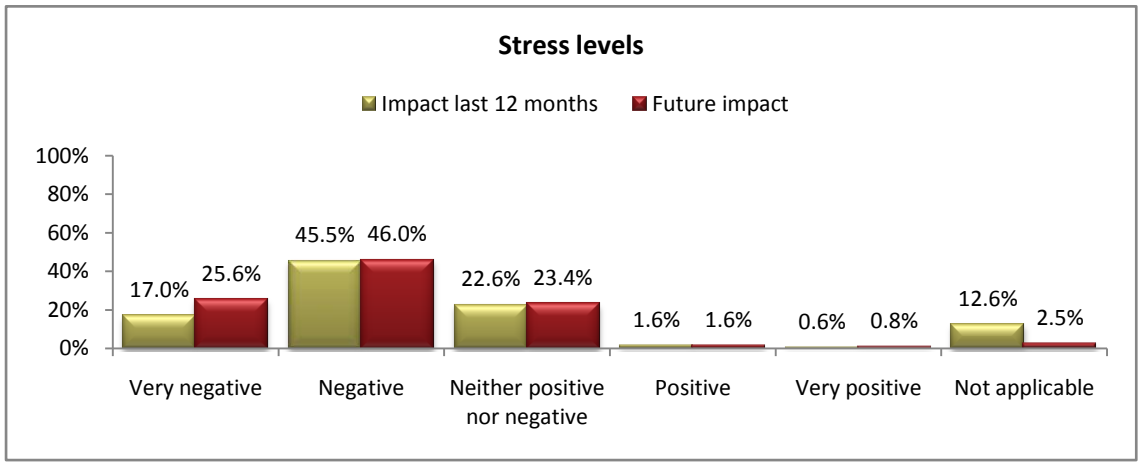


Figure 27: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *my morale* in the last 12 months and in the future

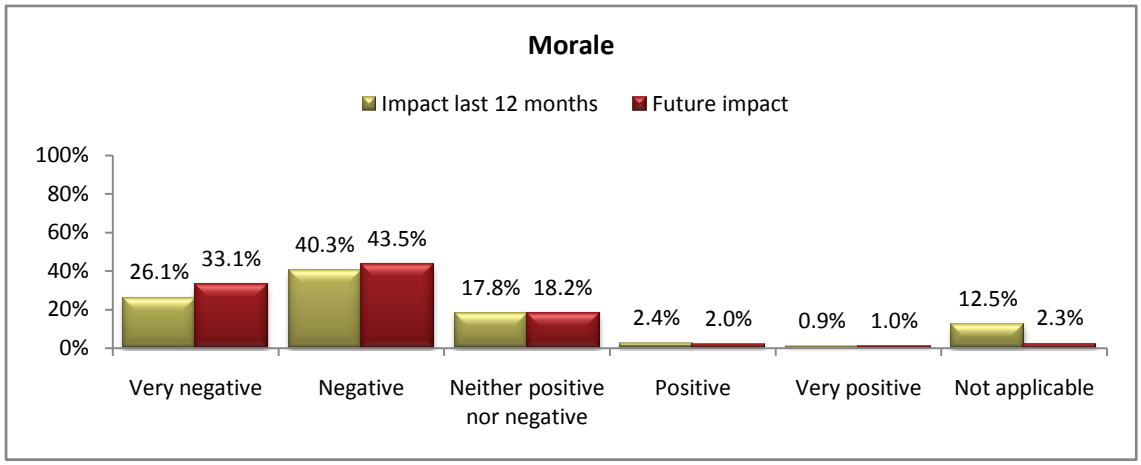


Figure 28: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *my job satisfaction* in the last 12 months and in the future

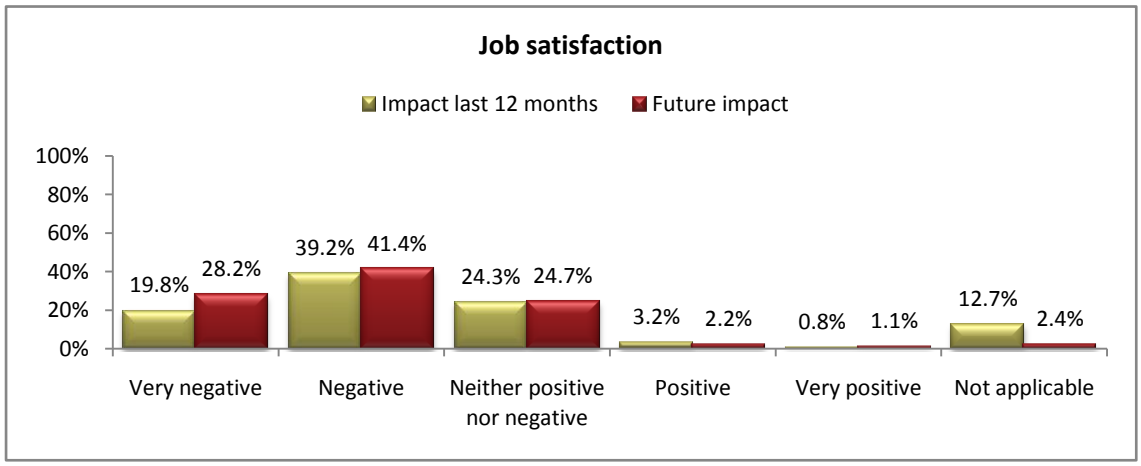
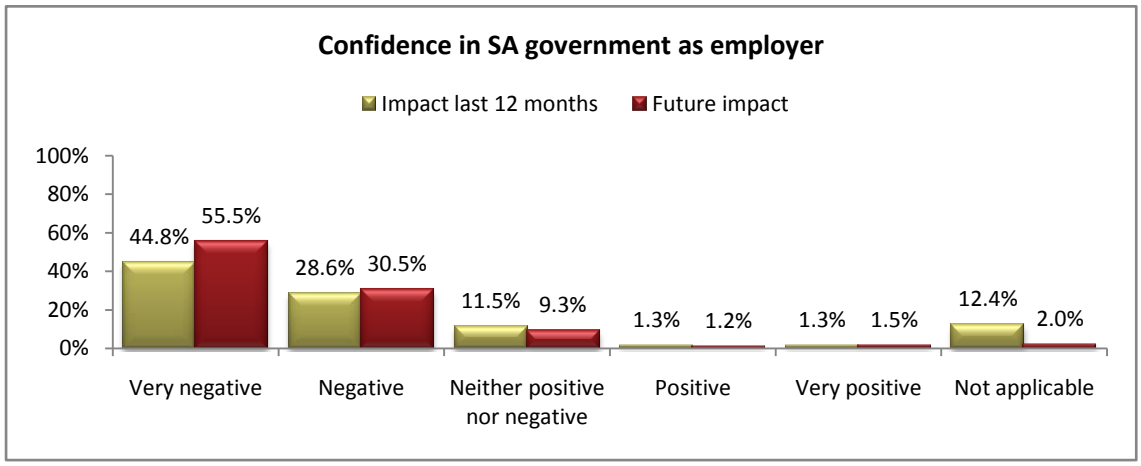


Figure 29: Impact of the 2009-10 and 2010-11 State Budget cutbacks on *my confidence in the SA government as an employer* in the last 12 months and in the future



4 RESPONDENT CHARACTERISTICS

In total, 3,380 members of the PSA of South Australia[1] took part in the survey, representing approximately 26% of those invited. The gender distribution of survey respondents, eligible PSA members and the entire public sector is similar, with approximately one-third males and two-thirds females (see Appendix A).

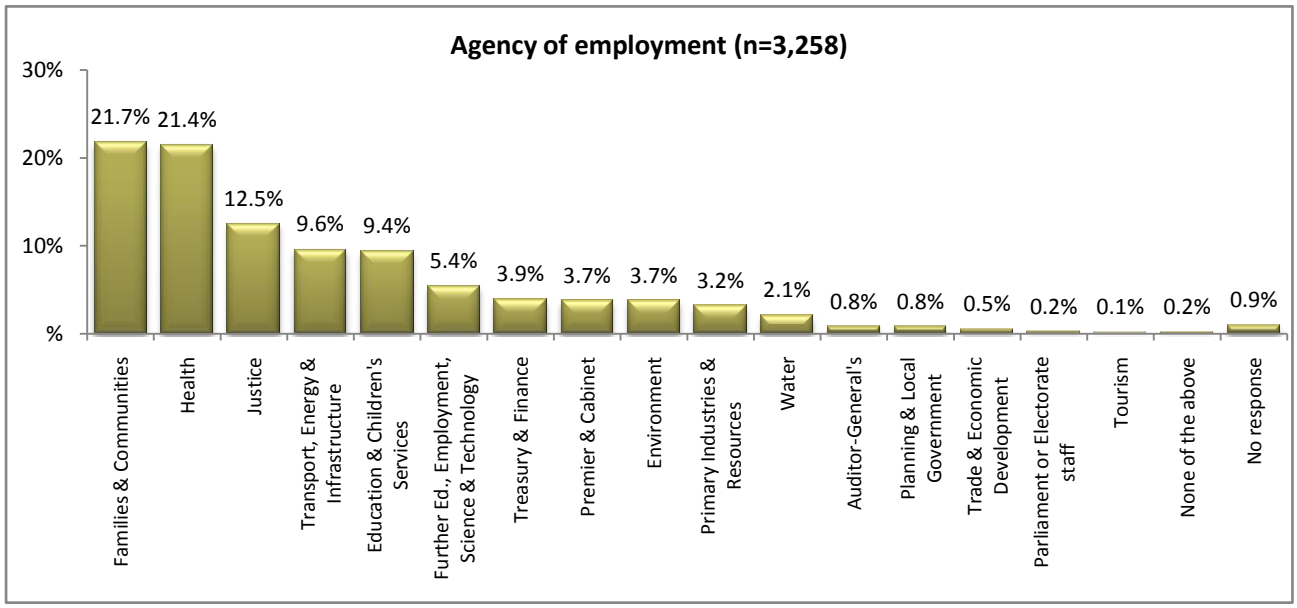
The average age for survey respondents was 48.1 years, very similar to the average age of eligible PSA members (47.8 years). The negative skew of respondents by age group is consistent with the age profile of eligible PSA members (see Appendix A). However, the total South Australian Public Sector shows a younger (and flatter) profile. Only 20.3% of survey respondents (and 22.3% of eligible PSA members) were less than 40 years old, compared to 35.8% of the Public Sector as a whole (noting the Public Sector includes a high number of teachers, nurses and police who are likely to be members of other unions).

Most respondents (80.9%) reported working primarily in Metropolitan Adelaide, with 16.5% reporting working mainly in regional areas. Only 0.4% were unable to specify one main location and reported working across both regional and metropolitan areas. The remaining 2.1% failed to provide a response.

4.1 WORKPLACE

Almost all survey respondents worked in a Government agency, department or health service. The proportion of respondents usually working in each Government Agency (or Department) is shown in Figure 30. The highest proportion of respondents came from the Departments of Families and Communities and Health, with 21.7% and 21.4%, respectively.

Figure 30: Government Agency of usual work



Of the 120 respondents who indicated they worked in a Government Business Enterprise or a Statutory Authority, most common responses were for the Legal Services Commission and WorkCover SA. Twenty-two enterprises or statutory authorities were listed in the 38 'other' responses. The distribution of respondents

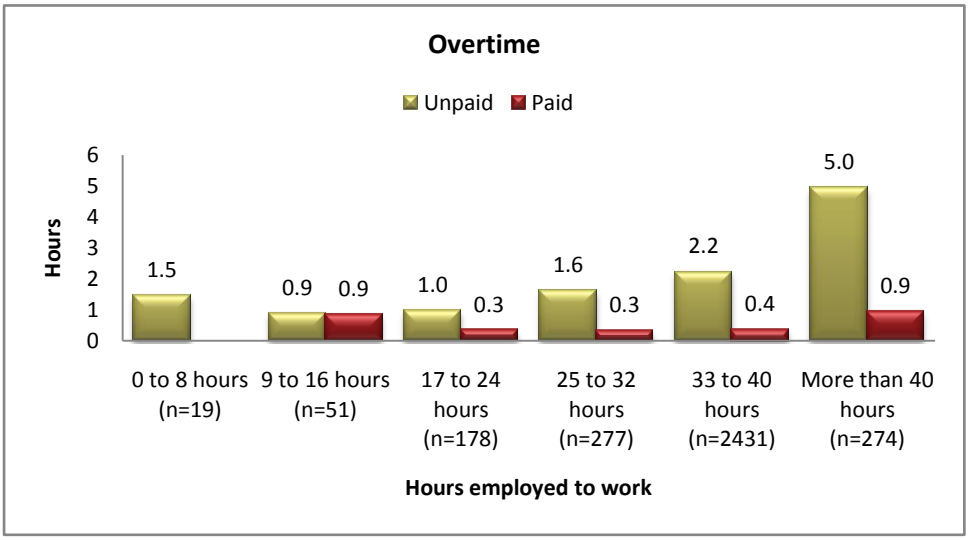
[1] Tables and figures include all respondents, except where otherwise indicated in a table note.

within the different areas of the Justice; Transport, Energy and Infrastructure; Families and Communities; Trade and Economic Development; and Environment portfolios are shown in Appendix B.

Almost two-thirds of respondents (62.3%) were classified as administrative services officers (ASO). Of the remainder, the most common employment classifications were operational services officers (OPS) and allied health professional (AHP) with 12.3% and 8.6% of respondents, respectively, in each classification (see Appendix B). Most respondents (87.2%) reported they had ongoing employment, while 6.7% reported they were on contract.

Respondents reported being employed for an average of 37.1 hours per week, and working and average of 2.7 hours overtime per week. Eighty-five percent of this overtime was unpaid. The distribution of paid and unpaid overtime, by the usual hours the member is employed for reveals that the time spent on paid overtime was relatively consistent for all categories, the amount of unpaid overtime was higher for those working longer hours, overall (see Figure 31).

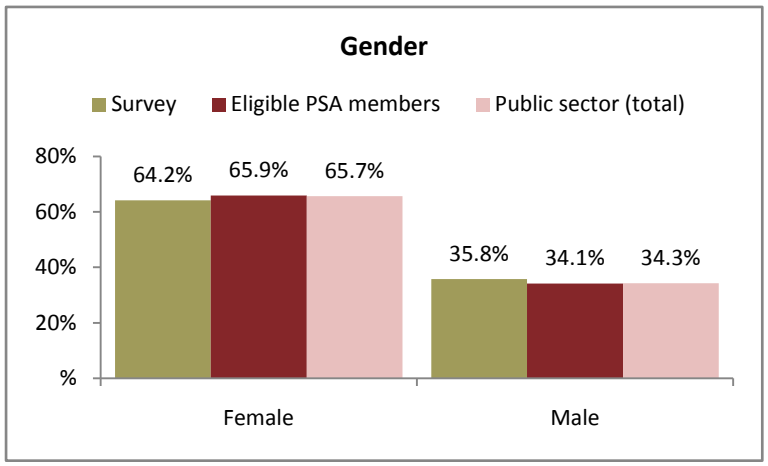
Figure 31: Average hours of paid and unpaid overtime by the average hours respondent is employed to work



Administrative work was common for respondents, and also the most common area of work for the work areas of respondents. One-third of respondents (33.5%) reported usually being engaged in administrative work, while almost one-quarter worked in units predominantly engaged with administration (see Appendix B).

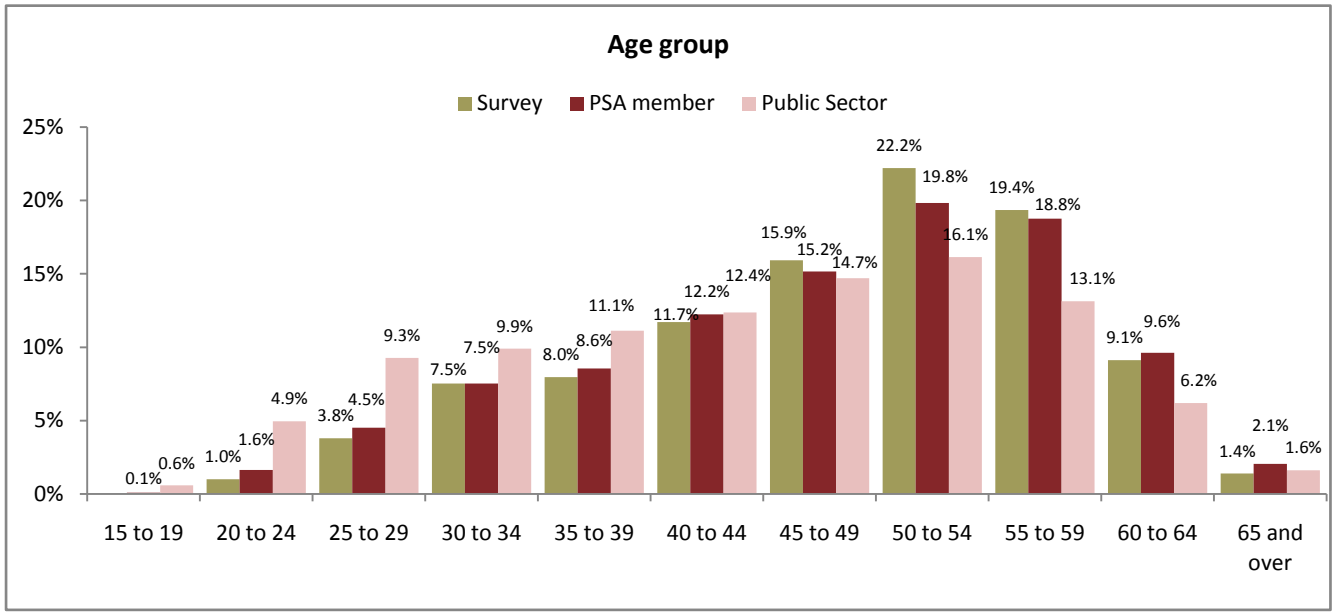
APPENDIX A: DEMOGRAPHIC PROFILE

Figure A 1: Gender distribution of survey respondents compared to eligible PSA members and the total SA Public Sector



Source Public Sector data: Table 3.[2,3]

Figure A 2: Age distribution of respondents compared to eligible PSA members and the total SA Public Sector



Source Public Sector data: Table 3.[3]

[2] Proportions presented for demographic questions include eligible responses only.
[3] Commissioner for Public Sector Employment. (2009). *South Australian Public Sector Workforce Information, June 2009*: Government of South Australia

APPENDIX B: PORTFOLIOS AND TYPE OF WORK

Figure A 3: Area of employment: Justice portfolio

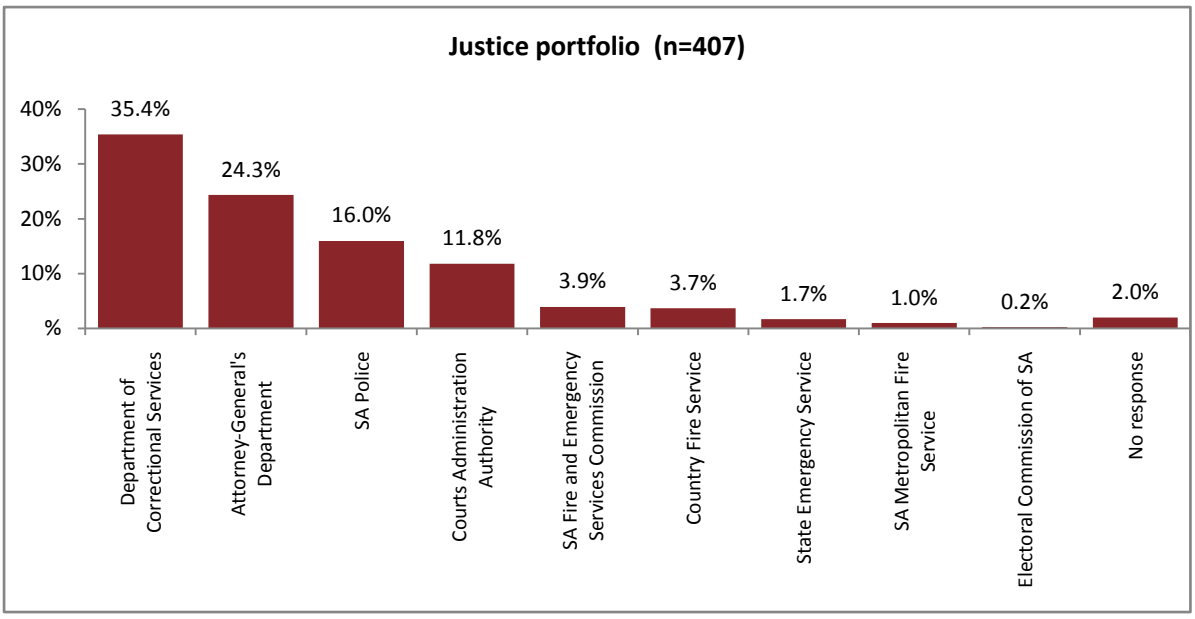


Figure A 4: Area of employment: Transport, Energy & Infrastructure portfolio

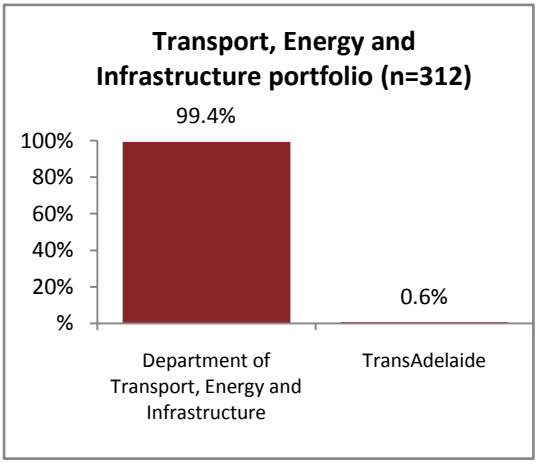


Figure A 5: Area of employment: Families & Communities portfolio

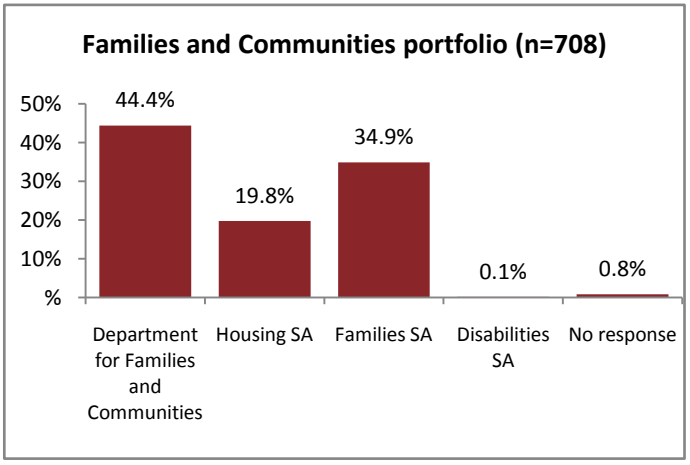


Figure A 6: Area of employment: Trade & Economic Development portfolio

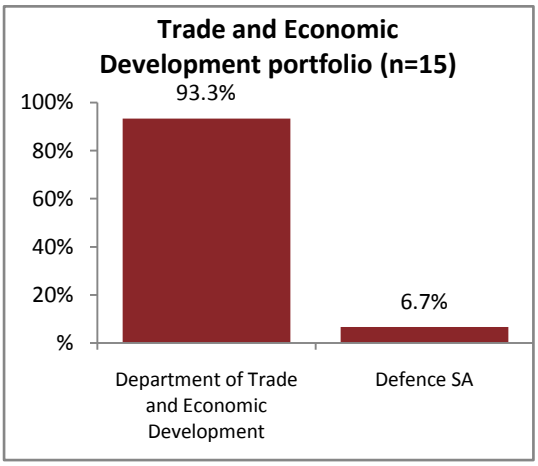


Figure A 7: Area of employment: Environment portfolio

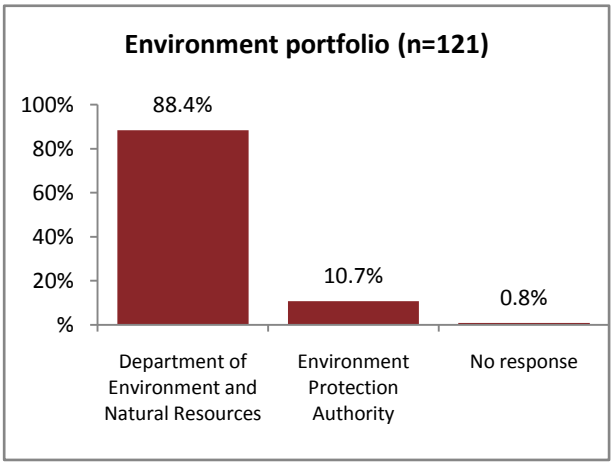


Figure A 8: Description of the usual nature of respondents work and the work usually undertaken by their work unit