



OFFICE OF INTERNAL AUDIT

Stan Sewell, City Auditor

MEMORANDUM

To: Mayor Andy Berke
City Council Members
From: Stan Sewell, City Auditor
Date: August 18, 2020
Re: Ethics Survey 2020

Internal Controls, including integrity and ethical values, are an integral part of the City's process to achieve desired objectives and outcomes related to safer streets, smarter students, stronger families, a growing economy, stronger neighborhoods and high performing government. Internal Control is simply what the City does to see that the things the City wants to happen will happen, and the things the City does not want to happen will not happen.

To evaluate the effectiveness of the work environment, a confidential survey was conducted to determine employee opinions of the City's work environment. A similar survey was conducted in 2018. There were 506 (2018) and 998 (2020) individuals, including full-time and part-time employees, who responded to the surveys, resulting in a response rate of approximately 17% (2018) and 43% (2020).

The position classifications of respondents was consistent with 2018, with approximately two-thirds classified as staff, and almost one-third classified as middle management.¹ Without exception, the responses trended positive from 2018 to 2020, with the most substantially positive change being more individuals believe they would not experience retaliation when reporting wrongdoing (36% in 2018 vs. 55% in 2020).² Also showing considerable improvement from 2018, 36% more respondents thought

¹ Work Environment Survey question 1.

² Work Environment Survey question 5.

wrongdoing would stop if reported ³ and 28% more individuals think their policies and procedures help them do their job effectively.⁴

There is a continuing concern about employee performance reviews. Only 58% (2018) and 63% (2020) of survey respondents indicated they receive a job evaluation at least annually or every 2-3 years.⁵ Effective and timely feedback clarifies expectations, while constructive criticism provides an avenue for improvement. The importance of a performance review was previously emphasized in our Control Environment audit report (Performance Audit 18-03) issued November 29, 2018.

Although perceptions are much better than our 2018 survey, some employees still have concerns about training opportunities made available to them. 40% (2018) and 26% (2020) of respondents are not satisfied with the training opportunities available to them.⁶ Regular training contributes to increased employee engagement and retention.

The majority of respondents believe their supervisor demonstrates high ethical standards ⁷, believe their job responsibilities and reporting relationships have been clearly established and communicated to them ⁸, know how to report fraud, waste and abuse ⁹, and feel having a well-run City is a top priority for the City's leadership.¹⁰

Except for a few survey questions, there was not an appreciable difference in the perceptions of employees at the staff level, middle or upper management. We did note some gaps that are worthy of mention:

- With regard to reporting wrongdoing and whether it would stop, fewer staff level employees (56%) thought wrongdoing would stop than middle management (66%) or upper management (76%).
- Additionally, fewer staff level employees (49%) believe they would not experience retaliation if reporting wrongdoing than middle management (63%) or upper management (73%).

³ Work Environment Survey question 4.

⁴ Work Environment Survey question 6.

⁵ Work Environment Survey question 9.

⁶ Work Environment Survey question 8.

⁷ Work Environment Survey question 3.

⁸ Work Environment Survey question 7.

⁹ Work Environment Survey question 11.

¹⁰ Work Environment Survey question 12.

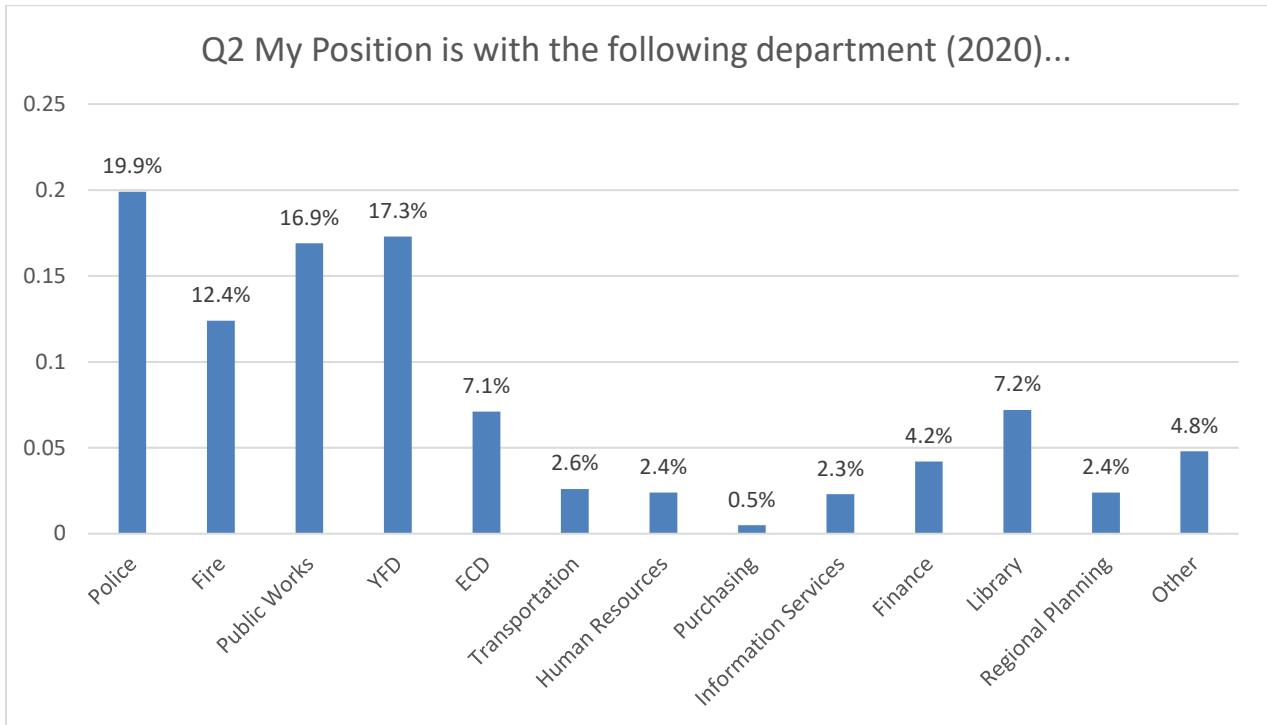
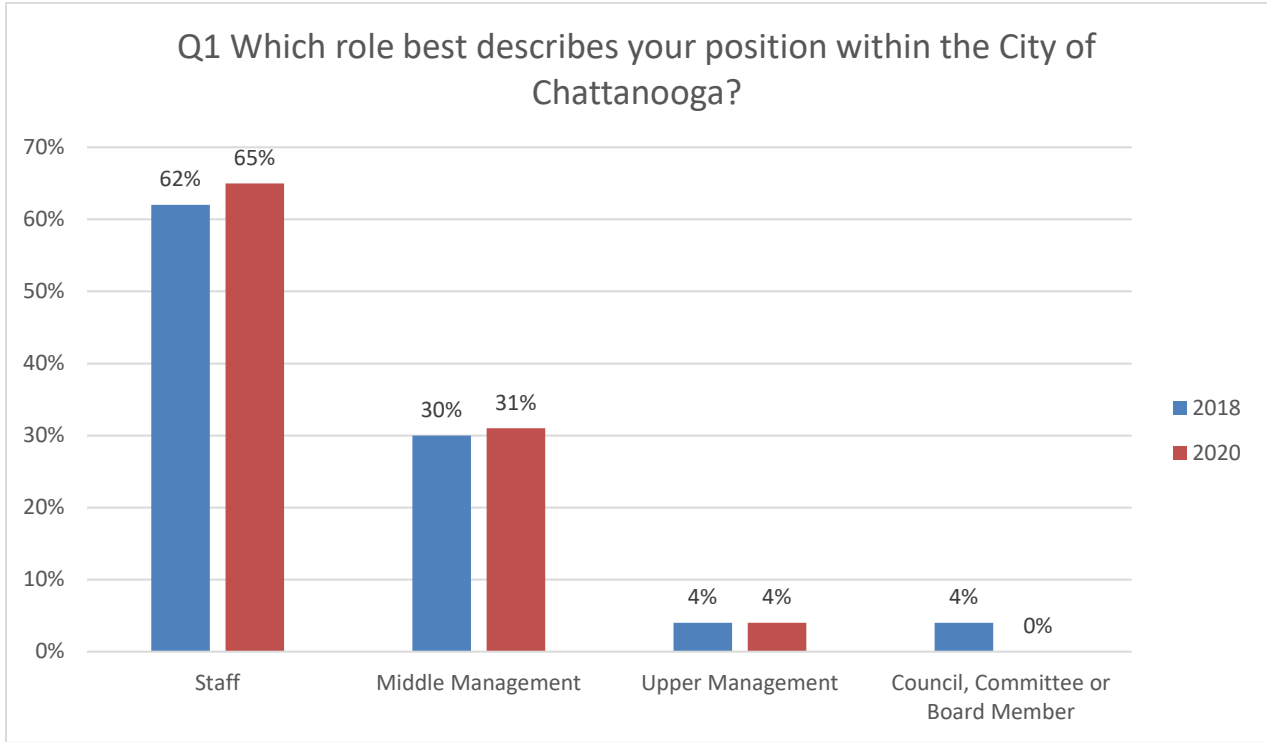
A summary comparing the results (2018 and 2020) of our work environment survey is attached. Detail data can be obtained in Excel format on the Office of Internal Audit's page of the City's website. We encourage analysis of the raw data to obtain an understanding of perceptions at a granular level by applying filters (such as comparing different departments).

The issues discussed in this memorandum are not the result of an audit performed in accordance with generally accepted government auditing standards. Had we performed such an audit, additional issues might have been reported. The purpose of this memorandum is to provide those charged with governance information that may be deemed useful.

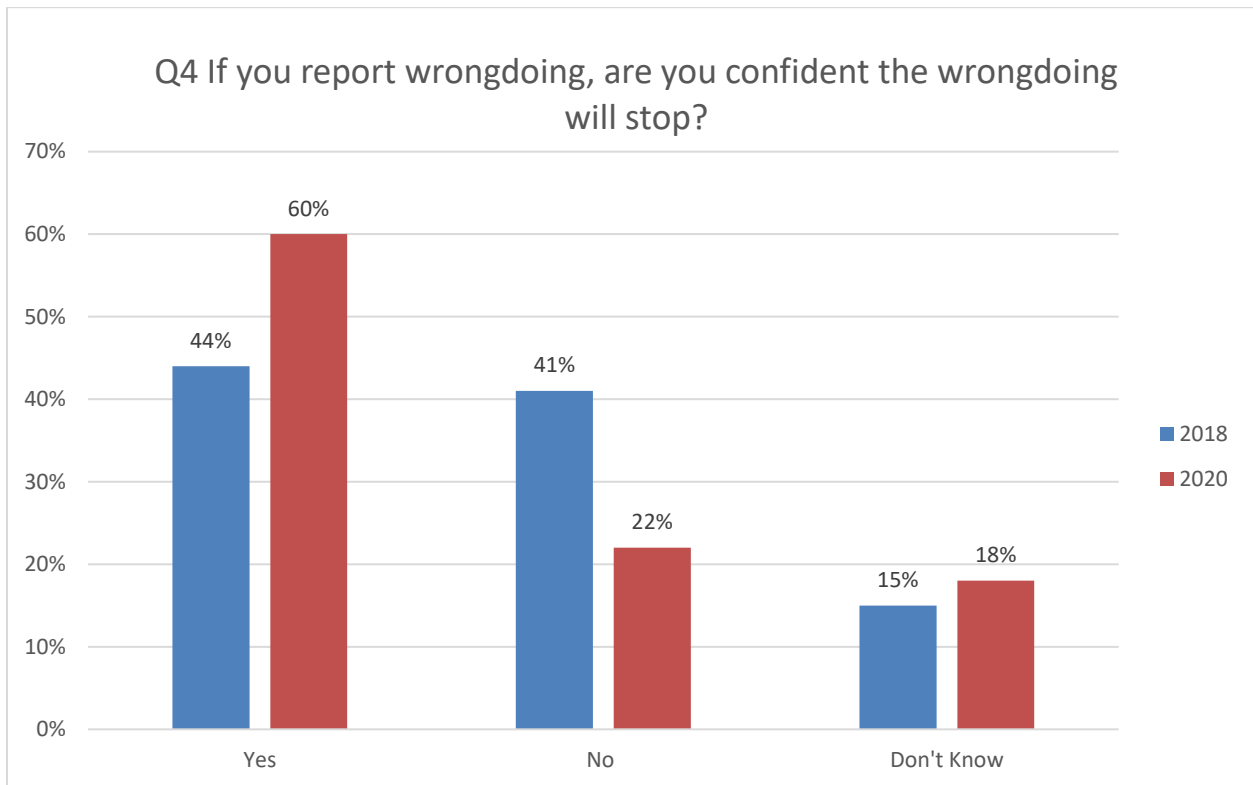
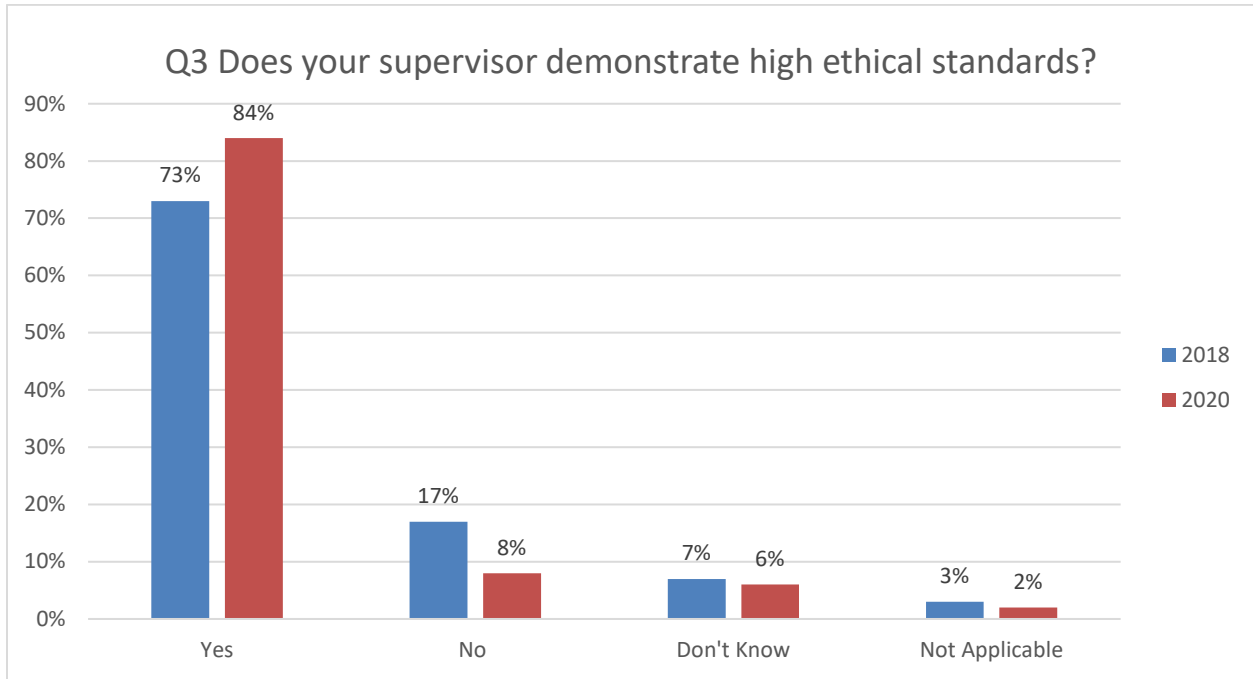
Attachment

cc: Audit Committee
Kerry Hayes, Chief of Staff
Maura Sullivan, Chief Operating Officer
Department Heads
Corrine Hill, Library Director
John Bridger, RPA Director

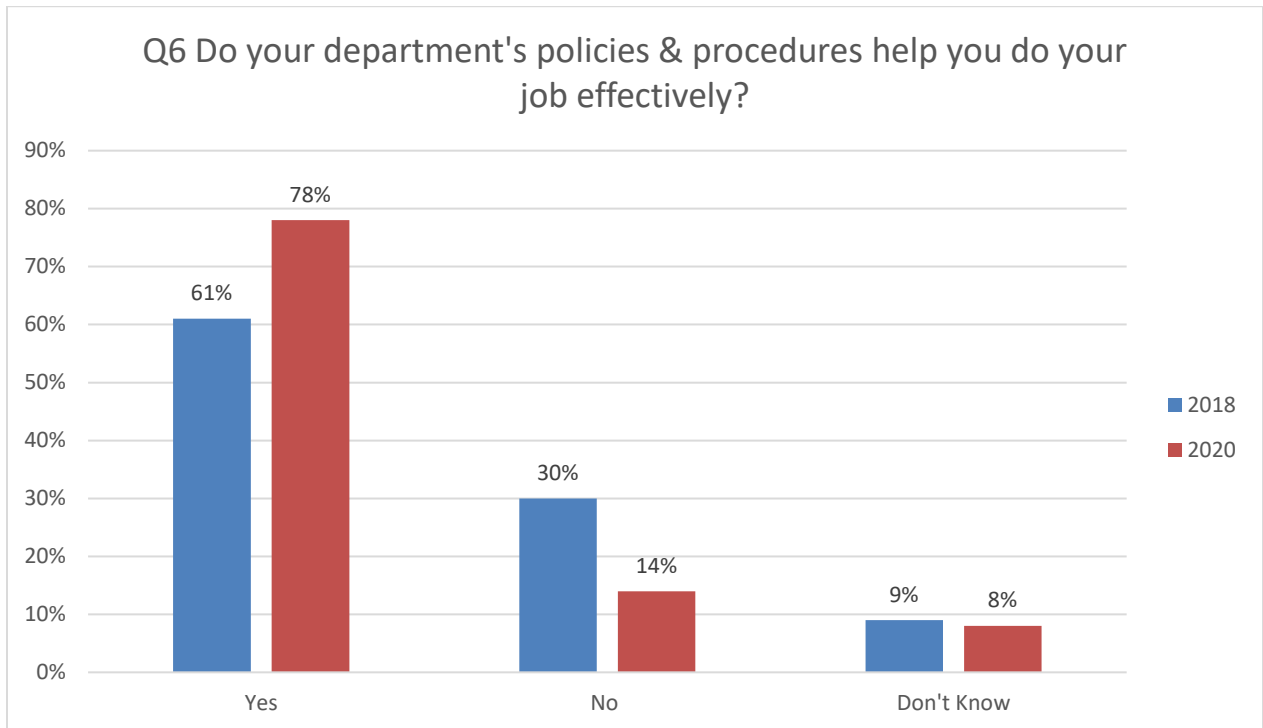
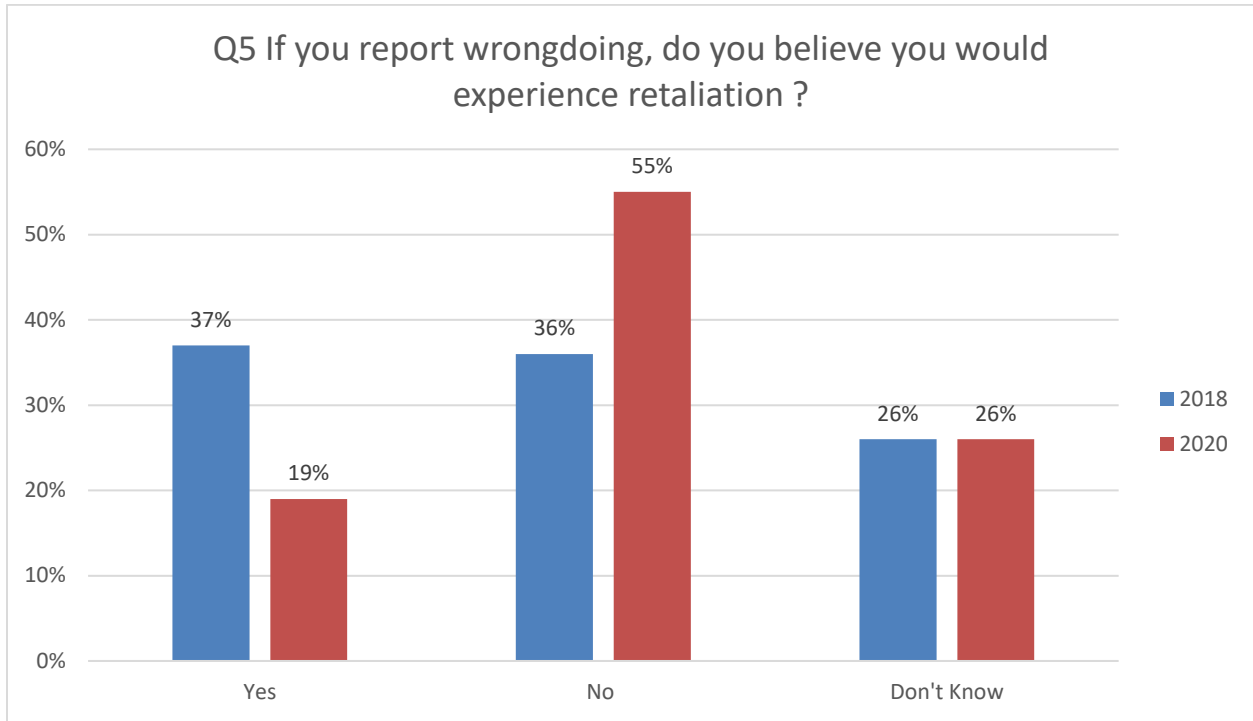
City of Chattanooga Work Environment Survey 2020



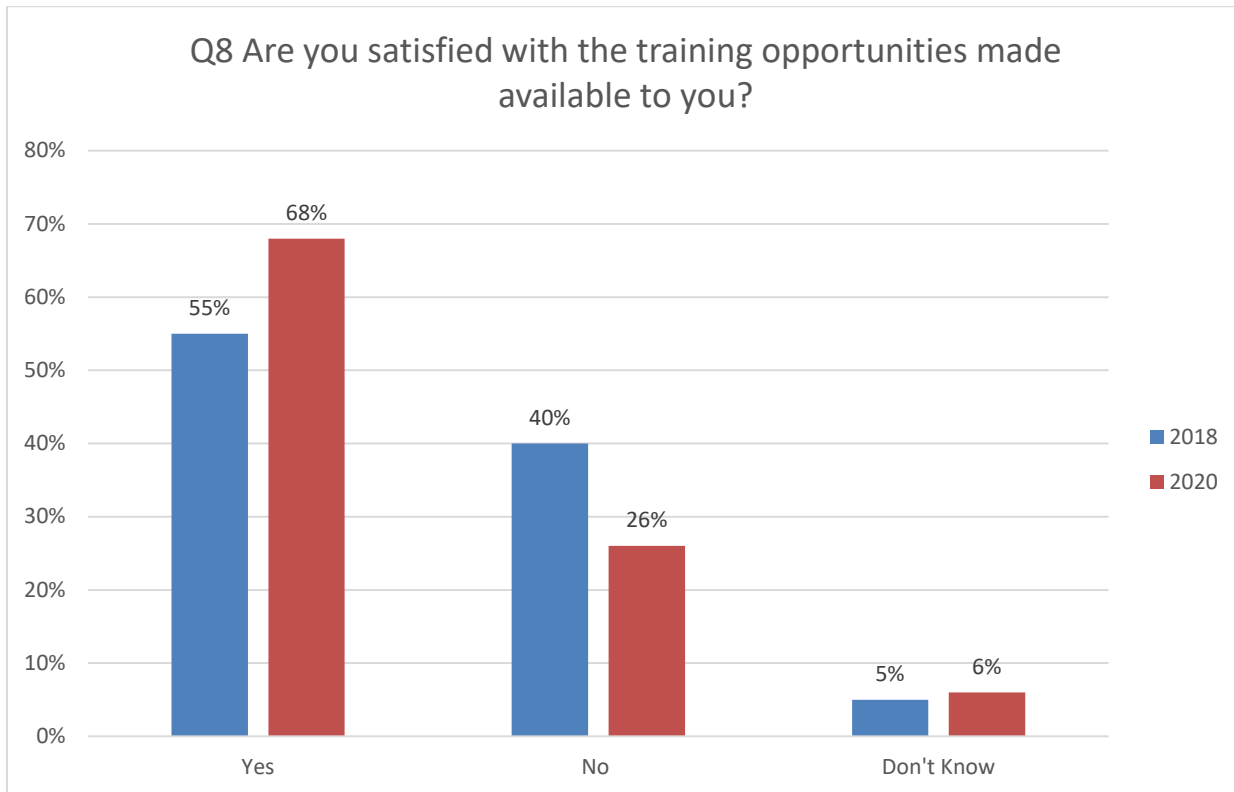
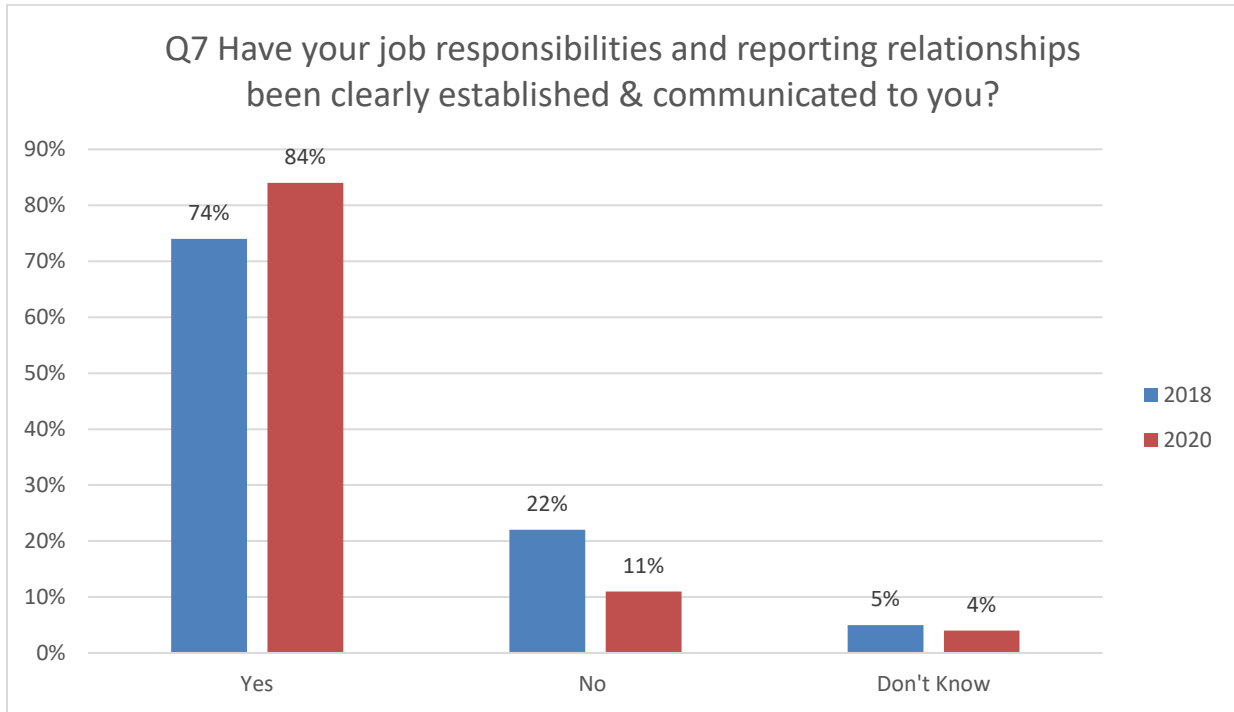
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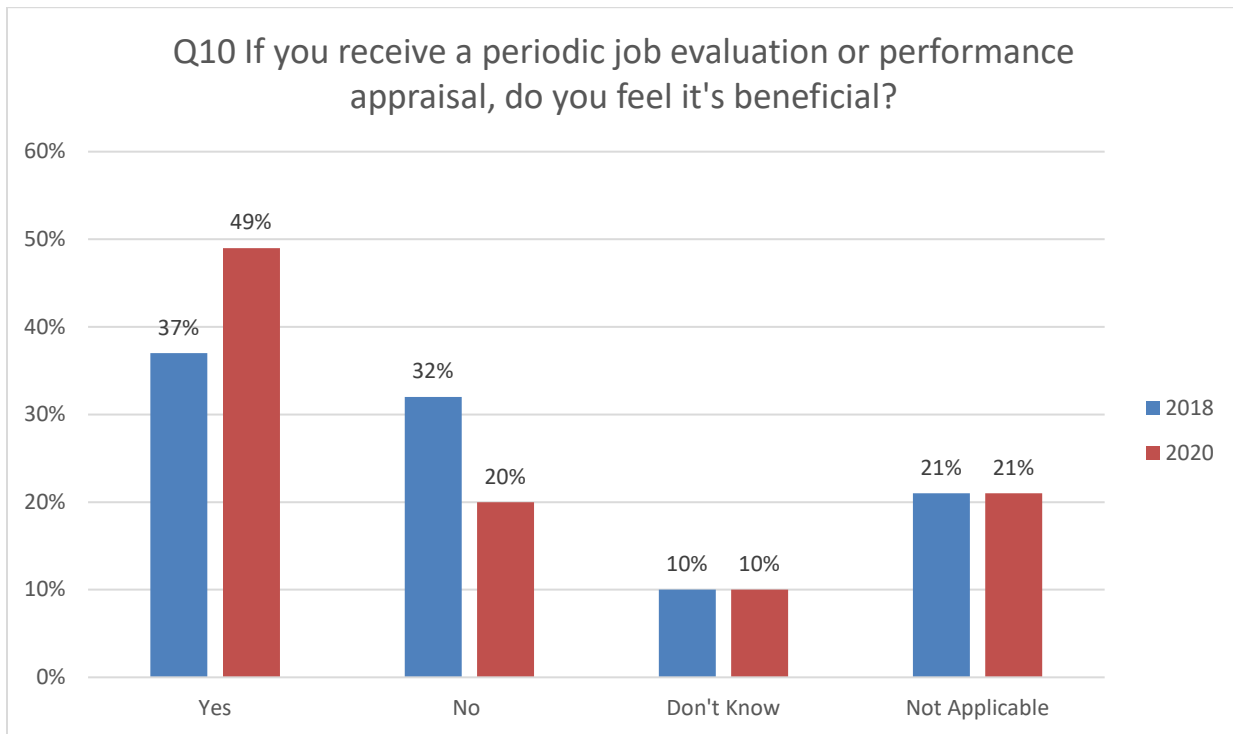
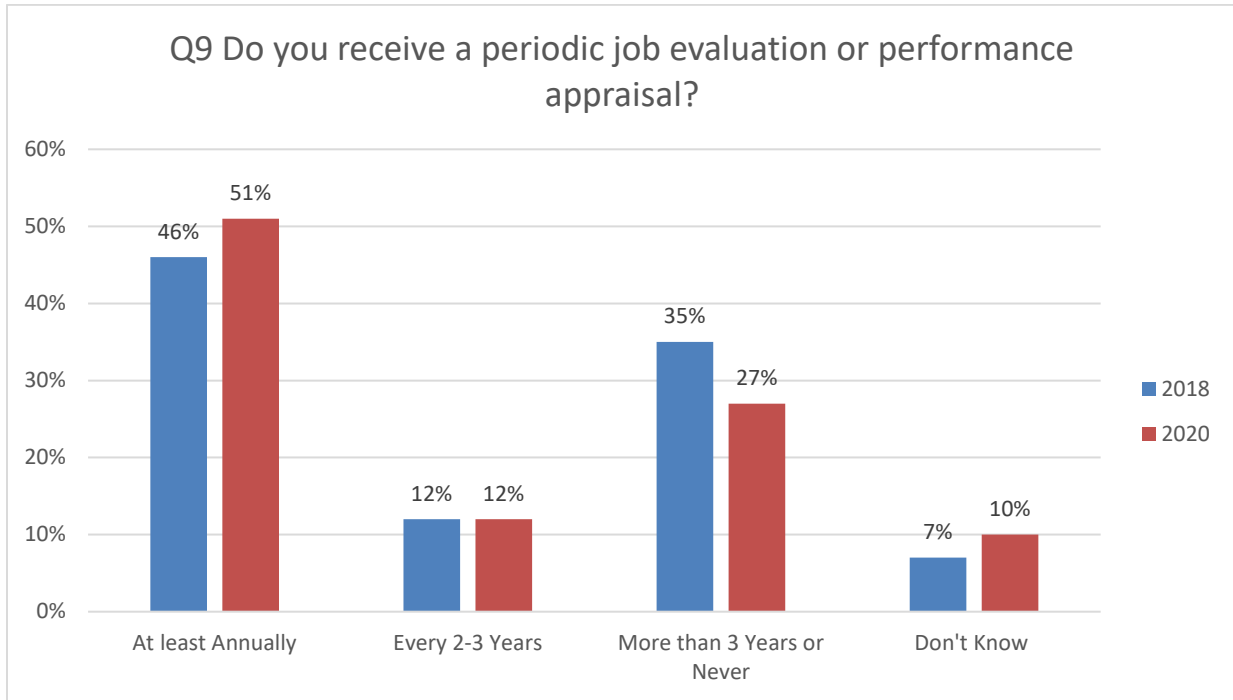
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