



# Culture Survey Review

Internal Audit Report  
City of Adelaide

July 2024



# Acknowledgement of Country

**KPMG acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia. We pay our respects to Elders past, present, and future as the Traditional Custodians of the land, water and skies of where we work.**

At KPMG, our future is one where all Australians are united by a shared, honest, and complete understanding of our past, present, and future. We are committed to making this future a reality. Our story celebrates and acknowledges that the cultures, histories, rights, and voices of Aboriginal and Torres Strait Islander People are heard, understood, respected, and celebrated.

Australia's First Peoples continue to hold distinctive cultural, spiritual, physical and economical relationships with their land, water and skies. We take our obligations to the land and environments in which we operate seriously.

Guided by our purpose to 'Inspire Confidence. Empower Change', we are committed to placing truth-telling, self-determination and cultural safety at the centre of our approach. Driven by our commitment to achieving this, KPMG has implemented mandatory cultural awareness training for all staff as well as our Indigenous Peoples Policy. This sincere and sustained commitment has led to our 2021-2025 Reconciliation Action Plan being acknowledged by Reconciliation Australia as 'Elevate' – our third RAP to receive this highest level of recognition. We continually push ourselves to be more courageous in our actions particularly in advocating for the Uluru Statement from the Heart.

We look forward to making our contribution towards a new future for Aboriginal and Torres Strait Islander peoples so that they can chart a strong future for themselves, their families and communities. We believe we can achieve much more together than we can apart.



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# Executive Summary

In accordance with the 2023/24 Internal Audit Plan for the City of Adelaide Administration ("CoA"), an internal audit focussing on the CoA's progress in implementing cultural improvement actions has been performed. The objective, scope and approach for this internal audit project are outlined below.

## Objective

The objective of the internal audit was to assess the efficacy of the CoA's Culture Surveys and review the CoA's progress in implementing previously identified cultural improvement actions. This included evaluating the CoA's ability to analyse survey results and translate these into effective culture improvement actions as well as assessing leadership accountability regarding culture and implementing culture initiatives.

## Scope

To address the overall objectives above, the scope of this internal audit included the following:

- Review of the structure, content and frequency of the Culture Survey.
- Review the effectiveness of survey results analysis, communication of survey results and the ability to translate survey results into cultural improvement actions.
- Review the accountability mechanisms in place to execute on identified cultural improvement actions.
- Review leadership's perception of their roles and accountabilities regarding culture and culture initiatives.
- Consideration of the CoA's assessment of cultural improvement action timeframes.
- Identify gaps and challenges in the CoA's execution and assessment of cultural improvement actions.

Scope exclusions:

The scope of this internal audit excluded reviewing the culture at the CoA and the development of new survey questions or approaches.

## Positive Observations

Overall, it was noted several changes have been implemented by the CoA since the last Culture Survey was delivered in 2022 which will improve the Culture Survey process.

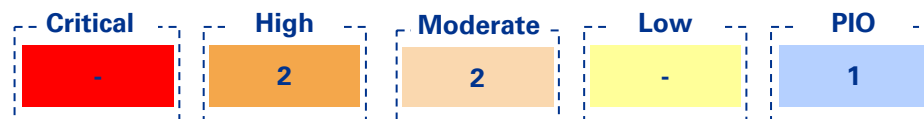
The following positive observations were identified during this internal audit:

- As a result of past Culture Surveys, the People team are running various culture initiatives such as Teams Achieving Greatness (TAG) Awards.
- The People team has recently expanded its organisational psychology capability through new additions to its leadership and to the broader team.
- Selection of Culture Amp as the new survey tool, a user-friendly platform to streamline the Culture Survey process and includes survey analysis and benchmarking capability.
- The CoA is currently drafting a Workforce Strategy which will include organisational culture objectives, actions and KPIs.

## Summary of Findings

The findings and performance improvement opportunities (PIO) identified during this internal audit are shown in the table below with detail of the findings in this report. Classification of internal audit findings are detailed in Appendix 4. These findings and recommendations were discussed with the CoA CEO and Executive Leadership Team (ELT). The ELT has accepted the findings and has agreed action plans to address the recommendations.

It is recommended the CoA addresses the two (2) findings rated as high prior to issuing the next Culture Survey.



# Background (1/2)

## Introduction

This report details the findings of the internal audit conducted on Culture Surveys implemented at the CoA. Culture Surveys aims to assess the current state of the CoA's organisational culture and gather employee feedback for the CoA to develop action plans to address challenges and improve future Culture Surveys. Culture Surveys are owned by the Executive Leadership Team (ELT) and delivered and driven by the People team. Action plans resulting from the surveys are driven by individual teams.

The last Culture Survey was conducted in May 2022 and it is noted that survey participation fell from 69% in 2021 to 59% in 2022.

## Importance of Monitoring Culture

Monitoring culture is not just about employee satisfaction and engagement, it is a strategic investment in any organisation's overall success, directly linked to strategic planning and workforce planning. A positive culture and work environment leads to a more productive and engaged work force that ultimately better serves the community and delivers on strategic outcomes.

The following outlines the anticipated benefits of monitoring culture for the CoA:

- Improved talent retention and attraction
- Improved employee engagement
- Improved performance and service delivery
- Elevated reputation and community trust
- Reduced risks such as psychosocial risk
- Meeting legislative requirements

## Best Practice Culture Survey Design

Based on KPMG's experience, in order to monitor culture the leadership needs to first define the desired organisational culture and the cultural outcomes they want to achieve. Aligned culture performance indicators that are measurable through culture surveys and pulse surveys should then be defined. This allows organisations to track progress and assess the effectiveness of their culture journey over time.

A key element of monitoring culture is measuring employee engagement. Engagement refers to the level of connection, motivation, and commitment employees feel towards their work and the organisation. It is a multi-faceted concept that goes beyond job satisfaction.

Best practice culture survey design involves the leadership first identifying key culture performance indicators. Without setting clear KPIs and targets for culture, it is difficult for the CoA to use Culture Surveys as a tool for data driven decision making, to identify areas for improvement and to measure progress in relation to culture improvement.

## Overview of Culture Survey Tools at the CoA

The following outlines a history of the culture survey tools used at the CoA for the past 5 years. In addition to the Culture Surveys, the CoA ran a 'Healthy Minds Well-being Index' survey in May 2020, August 2021, and a 'Thrive at Work' survey in April 2023 that were not included as part of this review.

Date	Survey Tool	Survey Design Comments from the CoA
Sep 2019	Denison Culture Survey	External tool – Designed by Denison in consultation with the CoA
Dec 2019	Denison Waggl Culture Check-in Pulse	External tool – Designed by Denison in consultation with the CoA
May 2021	Culture Survey Qualtrics CX	Internal tool – Designed internally, questions aligned to People Experience Commitment and previous survey questions
Nov 2021	Pulse Check via Qualtrics CX	Internal tool – 7 of the same key questions from Culture Survey to measure trends
May 2022	Culture Survey via Qualtrics	Internal tool – Minor tweaks made to previous Culture Survey
June 2024	Culture Amp Culture Survey	Currently in development –The CoA will utilise the templates available via Culture Amp (designed by 'People Scientists') with minor tweaks to suit the CoA

# Background (2/2)

## Overview of Culture Survey Tools (continued)

Over the years, the Culture Survey tool has undergone numerous changes, leading to modifications in the survey questions. In response to budgetary constraints, the 2021 Culture Survey moved from an external platform to in-house. Consequently, this has posed challenges for the CoA in effectively measuring trends and insights overtime. This is further exacerbated by leadership turnover which has created challenges for the accountability over survey results and the implementation of action plans.

Acknowledging the importance of the Culture Surveys and feedback mechanisms to the CoA, additional funding has been apportioned to these activities in the 2023 budget. The CoA has recently selected Culture Amp as the new culture survey tool which is a positive step towards uplifting the CoA's culture monitoring capability.

## Implementation of Culture Improvement Actions

Since the last Culture Survey in 2022, the successful implementation of culture improvement action plans across various programs and portfolios has been limited. However, the People team has implemented several culture initiatives:

- Diversity and Inclusion
- Leadership programs
- Revitalising the Employee Value Proposition
- Rewards and Recognition (Teams Achieving Greatness - TAG award)

However, it is unclear to the organisation how these initiatives relate to the actions from Culture Surveys. Overall, it is not clearly understood across the CoA what actions and outcomes have come out of past Culture Surveys.



## The CoA Strategic Plan 2024 – 2028

**Our Community:** Vibrant, connected and inclusive

**Our Environment:** Resilient, protected and sustainable

**Our Economy:** Growing, innovative and responsive

**Our Places:** Interesting, purposeful and safe

**Our Corporation:** High performing, customer-centric and bold

The following outlines the commitment to create a strong culture at the CoA in the new Strategic Plan.

Outcome	Key Actions	Indicators
People Engagement	Create an organisational culture that enables bold and experienced leadership, where our people thrive and are proud to work, making the City of Adelaide an employer of choice.	Deliver and maintain a Workforce Strategy by 2024.  Action recommendations arising from employee feedback tools and risk assessment to generate positive employee outcomes.



# Internal Audit Findings

Internal Audit identified two (2) high, two (2) moderate and one (1) PIO finding during the review. The details of the findings are provided in the 'Detailed Findings' section of this report.



Rating	Ref #	Description
High	F1	Communication of survey results and culture improvement actions
High	F2	Staff confidence in the culture survey process requires strengthening
Moderate	F3	Accountability mechanisms for the execution of culture improvement actions
Moderate	F4	Leadership accountability regarding culture improvement action plans
PIO	PIO1	Structure, content and frequency of Culture Surveys requires improvements



**Finding 1 – Communication of survey results and culture improvement actions****Observation:**

The communication of Culture Survey results and culture improvement actions has not clearly articulated the link between Culture Survey feedback, implemented culture improvement actions, and overall survey outcomes.

It is critical that survey results are shared in a sensitive manner aligned to best practice. Communication of the survey results is important to foster psychological safety amongst staff and leaders at the CoA. The risk of poor communication is the impact it can have on organisation culture; posing psychological safety risks, staff disengagement, low morale and high staff turnover.

Specifically, our review noted the following items:

- For the latest Culture Survey (in May 2022), with the intent of being open and transparent, a decision was made by the leadership to publish all survey responses for all staff to see. This included all verbatim responses to the open text section of Culture Surveys which contained highly sensitive comments. It is noted that staff were notified of this in the FAQs document that was issued prior to the survey taking place. The identities of the respondents, and the leader the verbatim comment refers to, in some cases were easily identified. This was reported to have created significant negative impacts to staff morale and created leadership anxiety.
- In the past, the communication of survey results has been reliant on individual leaders i.e. Managers and Team Leaders to discuss with their respective teams. Whilst discussion guides and other resources were provided to support leaders, there is a lack of evidence regarding actions taken to prepare and support leaders for these conversations with their teams. In some cases, leaders were not trained to facilitate this conversation which has resulted in mis-interpretation of results and downstream effects on culture and the perception of the survey.
- Culture initiatives that are currently running have not been linked back to the Culture Surveys in their communication. In addition, communication regarding the progress and follow up of action plans could be strengthened. As a result, there is a lack of awareness amongst staff regarding actions and outcomes resulting from past Culture Surveys.

**Recommendation(s):**

1. It is recommended that the CoA considers the following in the context of developing a communication strategy for the next Culture Survey:
  - It is strongly recommended that the CoA does not share all verbatim survey responses with all staff. Verbatim responses should only be shared to the ELT and Senior Leadership Team (SLT) after they have been deidentified.
  - The CoA should consider having people with the required knowledge, skills and experience in Organisational Development to communicate the survey results and feedback to the CoA. The CoA should also consider the benefits and costs to using an external, independent authority to further improve the effectiveness and legitimacy of this process.
  - Consider training leaders across the organisation in the communication of survey results to ensure leaders are engaging in follow up conversations with their teams.
  - A communication strategy for the next Culture Survey should clearly articulate why the CoA is doing another Culture Survey, the desired outcomes of doing the survey, a standardised approach for communicating survey results and action plans.
  - A clear connection between actions and survey feedback needs to be established. For example, including in the communications *'the CoA are implementing this initiative following feedback in the Culture Survey'*.
  - Communication of a council-wide action plan from a leadership perspective.
  - Clearly outline a standardised approach for post-survey follow ups on actions and progress to be used across the CoA.

**High****Agreed Management Action(s):**

1. Communication strategy to be developed and shared with the ELT and the SLT prior to survey roll out, including:
  - De-identified comments to only be shared with the ELT for the whole organisation, and shared with the SLT at the program level (if required).
  - Ensure the ELT and the SLT are debriefed appropriately and know their responsibilities moving forward to support survey actions.
  - Communication of organisational action plan with the alignment of actions with survey results.
  - Establish plan and platforms to be used for regular reporting to all staff on Culture Survey initiatives and outcomes.

**Responsible Person:**

Manager, People

**Target Date:**

October 2024



**Finding 2 – Staff confidence in the culture survey process requires strengthening****Observation:**

Through stakeholder interviews the following observations were noted:

- It was reported that a negative perception exists from the previously issued Culture Survey amongst some staff at the CoA. This included multiple interviews reporting that staff are disengaged with the survey process due to the perceived lack of clear actions taken as a result of the past Culture Survey. Without clear accountability and follow through from leadership, Culture Surveys are viewed by some staff as “a tick the box exercise”, not as a useful tool to drive change.
- There are significant concerns amongst staff around the anonymity of survey results. It has been reported that a history exists of responses being easily linked back to respondents due to comments not being thoroughly de-identified before publication as well as the reports provided to smaller teams. This is reported to have resulted in individual leaders behaving poorly in response to negative feedback which has created significant negative impacts to culture and staff morale.

It was reported through stakeholder interviews that there is a perceived lack of trust regarding the Culture Survey process amongst staff. As a result, there may be challenges for the People team in successfully delivering the next Culture Survey. The following risks should be considered:

- Limited survey uptake and low participation rate for the next Culture Survey.
- Staff concerns regarding negative consequences for providing honest feedback hinders the CoA’s ability to identify genuine culture issues.
- An ineffective culture survey process will further reduce staff confidence in the process and result in missed opportunities to improve engagement.

**Recommendation(s):**

1. In order to rebuild trust in the Culture Survey process at the CoA, the CoA should consider the benefits and costs for next Culture Survey to be run by an independent external authority with organisational psychology and organisational culture expertise.
2. Alternatively, if the next survey is run by the People team a complete repositioning and improvement of the Culture Survey is required. This rebrand should include carefully curated communication which considers;
  - Emphasising the capability and experience and professional integrity of the People team which has significant organisational psychology expertise.
  - Maintaining the perception of the People team’s role in facilitating the process, and the independence of the survey platform.
  - Communicating that an internal audit has taken place over the culture survey process, acknowledging the gaps of past culture surveys and clearly articulate the learnings and changes being implemented.
3. The timing of the next Culture Survey needs to be carefully considered to ensure the readiness of the CoA for another Culture Survey. It is recommended that the agreed action plans to address these audit findings are implemented prior to issuing the next Culture Survey.

**High****Agreed Management Action(s):**

1. CoA to utilise inhouse organisational psychology and organisational culture expertise to develop a plan for the next Culture Survey which considers and clearly outlines responsibilities.
2. Use Culture Amp as a platform for the next Culture Survey. Relaunch and rebrand the Culture Survey with a clear purpose and process. Clearly communicate this to staff at all levels throughout the organisation. Communications plan to emphasise the integrity and experience of the People team in facilitating Culture Surveys.
3. Project plan for the next Culture Survey to include clear indication of how the audit actions will be addressed. Survey to be conducted following endorsement of approach by the ELT that the proposed strategy addresses audit recommendations.

**Responsible Person:**

Manager, People

**Target Date:**

August 2024

**Finding 3 – Accountability mechanisms for the execution of culture improvement actions****Observation:**

Through stakeholder interviews and document review the following gaps in the execution of culture improvement actions were noted:

- Whilst tools such as action plan templates were developed and shared with leaders, there is currently no formal, standardised process in place for translating survey results into an action plan. There is a heavy reliance on leaders to host team meetings to discuss results and to identify actions themselves. As a result, efforts to develop action plans varied across the CoA, with some teams doing this well and for other teams no action plan was formed.
- The CoA has not clearly articulated its culture challenges and risks, and its ability to devise actions to address these requires improvement. It was reported that in some cases it was difficult for leaders to determine what certain results meant. Some of the actions that were identified were reported to be “superficial” or “easy to implement” and did not address the core problems presented.
- Action plans often lacked defined roles and responsibilities, assigned owners and timelines for implementation. The current process is highly reliant on individual leaders to proactively drive the implementation of action plans themselves.
- Overall, there appears to be a need for stronger accountability mechanisms in place for the execution of culture improvement actions. It has been observed that progress for teams that devised action plans often stagnated, with little advancement reported even 6-9 months later. Momentum was lost due to business as usual taking priority, staff turnover and the lack of frequent structured follow ups.
- There has been no tracking or measuring of progress with these action plans. In 2022, when the People team followed up with leaders a few months after the Culture Survey, only 8 out of 120 leaders came back with updates on progress

If actions are not taken to address the above, there may be limitations in the CoA's ability to effectively improve the culture at the CoA, which creates the risk of negatively impacting staff engagement, morale, staff turnover and service delivery.

**Recommendation(s):**

1. The CoA should establish a formal, standardised process for survey analysis and translation of survey results into action plans. This should include a standardised approach for extracting meaning from survey results, utilisation of appropriate quantitative and qualitative data analysis techniques, synthesis of results into themes, prioritisation of culture challenges and translation of these into action plans. It is recommended that the People team or an independent, external authority facilitate the above process.
2. It is recommended that clear accountability mechanisms for the execution of culture improvement actions are established. This should consider the following:
  - Each action item should be assigned an owner, clear roles and responsibilities and a timeline for completion. A RACI matrix can be used for this.
  - Each action item should have defined measurable objectives to monitor its progress and impact.
  - Action plans should be co-designed with the relevant stakeholders, for example the organisation action plan should be developed with the ELT or Wider Leadership Team.
  - Regular communication and updates should be facilitated to inform staff on progress of action plans to encourage engagement, traction and momentum.
  - Utilise a formal standardised process and system to log actions, assign owners and timelines, where progress can be tracked and monitored by everyone involved.
  - The process of monitoring accountability should be owned by the People team with ELT buy in and support to keep leaders accountable for their action plans.

**Moderate****Agreed Management Action(s):**

1. Document the process for quantitative and qualitative data analysis (including identification of themes and focus areas) and the translation of survey results into action plans.
2. Establish the following accountability mechanisms:
  - Utilise Culture Amp as a platform for supporting the implementation of culture improvement actions.
  - Ensure action plan templates are aligned to SMART goal setting principles with clear leads, outcomes, measurables and timeframes.
  - Establish regular communication processes to keep staff informed on the progress of the organisational action plan.
  - Establish a clear reporting process for leaders to report on progress for program and team action plans.

**Responsible Person:**

Manager, People

**Target Date:**

October 2024

**Finding 4 – Leadership accountability regarding culture improvement action plans****Observation:**

The following gaps in leadership accountability regarding culture improvement action plans were observed:

- The CoA has experienced significant leadership turnover, as a result during the last Culture Survey (in 2022) limited actions implemented from the survey results. An issue of continuity exists as many of the leaders that were there for past Culture Surveys are no longer at the CoA.
- There is a lack of top-down accountability of survey results and culture improvement actions, instead there is a heavy reliance on individual leaders and the People team to drive change.
- Organisational culture is not a strategic topic of conversation at the ELT or SLT meetings.
- There is a lack of re-enforcement of messaging and commitment to change from the leadership when it comes to culture improvement action plans.

The above limits the capability of the leadership at the CoA to effectively use the Culture Survey as a tool to improve culture, staff engagement and retention. This may in turn create the following risks:

- The CoA is unable to deliver on its People and Culture objectives and KPIs.
- Worsening of organisational culture leading to staff disengagement, low morale, high staff turnover and ineffective service delivery.
- Inadequately addressing culture issues may negatively impact the retention of existing staff and the CoA's employer branding limiting the CoA's ability to attract future staff. It also opens the CoA up to public scrutiny and reputational risks.

**Recommendation(s):**

1. Ensure clear reporting of organisational culture through targets and KPIs that are aligned to the CoA Strategic Plan and the CoA Workforce Strategy. KPIs of the CEO and leaders should also be linked to these organisational culture KPIs.
2. Tie culture improvement action plans to leadership performance reviews.
3. Invest in leadership capability uplift to improve understanding of what culture is and the role leaders play in influencing cultural improvement.
4. Culture should be a strategic priority. Consider adding culture as a standing agenda item in the ELT and SLT meetings and giving regular updates to staff on the progress of culture improvement action plans through existing or new forums.

**Moderate****Agreed Management Action(s):**

1. Implement KPIs relating to culture in the Workforce Strategy.
2. Leader performance reviews to include minimum of one culture related target / KPI.
3. Ensure leaders have the knowledge and skills required to understand and drive culture change within their teams – through training and resource development.
4. Establish standing agenda items regarding culture improvement action plans at the ELT and the SLT meetings.

**Responsible Person:**

CEO

**Target Date:**

August 2024

**PIO1 – Structure, content and frequency of the Culture Survey requires improvements****Observation:**

There is opportunity to modify the structure, content and frequency of the Culture Survey to best serve the needs of the CoA, its leadership and its staff. Through stakeholder interviews and review of documentation it was observed that:

- There is ambiguity in some of the survey questions creating uncertainty for staff and variations in interpretations of questions. For example, for questions that referred to “my leader” respondents were unsure which leader the survey question is referring to.
- The Denison Culture Survey, used in 2019 and prior years, took approximately 30 mins to complete with some respondents reporting the duration is too long and discouraged survey completion.
- Strong concerns exist regarding the anonymity of survey results amongst staff. Staff reported cases in the past where the individuals behind survey responses were easily identified.
- Culture Surveys show a snapshot of feedback from a point in time and past results were often skewed by the contextual environment of the CoA at the time, for example the Ombudsman report or downsizing of the workforce.
- In the past, the CoA has faced challenges in measuring and comparing survey data year on year to identify trends in culture performance indicators. There is a need for consistency in survey questions and frequent pulse surveying for the CoA to measure its performance in relation to culture.
- Whilst past Culture Surveys have been linked to the CoA’s People Experience Commitment and values, the leadership have not yet defined the desired culture at the CoA or the key culture measurement indicators to be measured as part of the survey.
- Whilst the CoA has measured employee engagement in the past (in the Denison Culture Survey in 2019), more recent Culture Surveys did not specifically measure engagement. As a result the CoA is unable to measure engagement which is a key culture performance indicator for the ELT.

If actions are not taken to address the above, there may be limitations in the CoA's ability to effectively use the Culture Survey as a tool for data driven decision making regarding improving the culture at the CoA.

**Recommendation(s):**

1. It is recommended that the CoA considers the following in the next iteration of the Culture Survey:
  - It is recommended that the leadership defines the desired culture at the CoA, and the associated culture performance indicators to be measured in the Culture Survey. This can be done as part of the CoA Workforce Strategy that is currently in draft. Once the Workforce Strategy is finalised, the survey questions will need to be designed according to the commitments in this document.
  - One of these culture performance indicators should be employee engagement. Survey design of engagement questions should be based on an engagement framework and best practice. Engagement questions should be scattered throughout the survey and asked in multiple ways to ensure the accuracy of results.
  - Include definitions for specific terms used in survey questions. This can be done at the beginning of the survey as a glossary or inserted under the relevant question or section.
  - When asking for age data provide age ranges to select from to align with best practice for sensitive data.
  - Aim for a survey completion time of 15 – 20 minutes to encourage higher completion rates.
  - In past Culture Surveys teams with less than 5 people did not have to identify themselves at the program / team level, it is recommended that this threshold should be increased to a minimum of 7 people to protect the anonymity of responses.

*(Continued on next page)*

**PIO****Agreed Management Action(s):**

1. For the next Culture Survey:
  - Provide a glossary of terms (including clear definition of ‘leader’).
  - Establish clear objectives for the CoA’s culture and KPIs.
  - Ensure the Culture Survey has a clear and valid measure of employee engagement.
  - Review demographic questions to ensure survey protects anonymity of staff.
  - Undertake Culture Survey on a biennial basis, with a pulse check every 12 months at a minimum.

**Responsible Person:**

Manager, People

**Target Date:**

August 2024





## PIO1 – Structure, content and frequency of the Culture Survey requires improvements

PIO

### Recommendation(s):

*(Continued from previous page)*

- Further anonymise the demographic questions at the start of the survey. For example, asking for band level instead of role level.
- In terms of survey frequency, it is recommended that a comprehensive Culture Survey is conducted every 2-3 years to set a baseline. Pulse surveys should be used as a targeted tool with its approach dependent on the Culture Survey results and the level of maturity of the team. For example, pulse surveys run every six months for areas of the CoA that require attention, and once a year for teams that are doing well. Pulse survey questions should be focused on specific areas the CoA wants to measure, areas the CoA is doing well in and areas that require improvement.

# Appendices

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## Appendices

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# Appendix 1 – Scope and Approach

## Objective

In accordance with the 2023/24 Internal Audit Plan for the City of Adelaide (“CoA”), an internal audit focussing on the CoA’s progress in implementing cultural improvement actions has been performed. The objective, scope and approach for this internal audit project are outlined below.

## Scope

To address the overall objectives above, the scope of this internal audit included consideration over the following areas:

- Review of the structure, content and frequency of the Culture Survey.
- Review the effectiveness of survey results analysis, communication of survey results and the ability to translate survey results into cultural improvement actions.
- Review the accountability mechanisms in place to execute on identified cultural improvement actions.
- Review leadership perception of their roles and accountabilities regarding culture and culture initiatives.
- The CoA’s assessment of cultural improvement action timeframes.
- Identify gaps and challenges in the CoA’s execution and assessment of cultural improvement actions.

Scope exclusions:

The scope of this internal audit excluded reviewing the culture at the CoA and the development of new survey questions or approaches.

## Approach

This engagement was performed used the following approach:

- Desktop review of relevant documentation and tools in place relating to the Culture Survey.
- Conduct best practice research on culture survey tools and questions.
- Consultation with relevant stakeholders to understand current approaches, tools and accountability mechanisms in place for the Culture Survey (maximum of 10 stakeholder consultation sessions).
- Close-out meeting with the internal audit project sponsor and key stakeholders to discuss initial findings and recommendations.
- Drafting and finalisation of an internal audit report outlining observations, recommendations and any improvement opportunities.

# Appendix 2 – Example Culture Survey (continued)

Listed below is a better practice example of a Culture Survey. The following questions have a rating scale of 1. *Strongly Disagree* 2. *Disagree* 3. *Neutral* 4. *Agree* 5. *Strongly Agree*.

Factor	Question
Engagement	I am proud to work for my organisation.
Engagement	I would recommend my organisation as a great place to work.
Engagement   Well-being	I am able to sustain the level of energy I need to do my work.
Engagement   Well-being	My job provides me with a sense of personal accomplishment.
Engagement	I am willing to put in a great deal of extra effort to help my organisation succeed.
Engagement   Work Environment & Enablement	I have easy access to the tools and resources (e.g., hardware, applications, portals, content, insights) I need to do my job effectively.
Engagement   Work Environment & Enablement	I do not experience significant barriers to doing my job effectively.
Trust   Leadership	I trust the leadership of the firm.
Trust   Quality & Risk	My organisation's commitment to quality is apparent in what we do on a day-to-day basis.
Trust   Quality & Risk	I believe, I could report unethical practices without fear of negative impact on me.
Trust   Corporate Citizenship   Purpose Index	My organisation makes a positive impact on society.
Trust   Leadership	Partners demonstrate our values in their everyday behaviour and actions.
Trust   Quality & Risk	The people I work for demonstrate honest and ethical behaviour.
Trust   Values, Vision & Strategy	At this organisation, we uphold our values, even when under pressure.
Growth   Innovation	I am encouraged to suggest new and better ways of doing things.
Growth   Innovation	My organisation is doing a good job of moving quickly from ideas to implementation.
Growth   Collaboration	There is effective collaboration between my function / geography / group and others to produce better outcomes.
Growth   Values, Vision & Strategy	The leadership of the firm executes a clear business strategy to achieve Trust and Growth in the market.
Growth   Innovation	My organisation does an excellent job anticipating new products and services that our clients will value.
Career Growth	At this organisation, I have opportunities to improve my skills and to develop new ones.
Career Growth	Overall, this organisation is a great place to build my career.
Communication	There is open and honest communication from leadership at this organisation
Communication	There is open and honest two-way communication at this organisation.
Inclusion & Diversity	Partners actively champion inclusion, diversity, and equity in the workplace recognising and respecting the value of differences (differences include but not limited to gender identity, age, etc.).
Inclusion & Diversity	Everyone at this organisation has an equal opportunity to advance regardless of differences (differences include but not limited to gender identity, age, etc.).
Inclusion & Diversity	I am treated with dignity and respect at work.
Inclusion & Diversity	At this organisation, we do not tolerate any form of harassment including gender-based and sexual harassment.
Inclusion & Diversity	I feel safe to raise issues of harassment, sexual harassment, bullying or discrimination without fear of victimisation or negative career implications.
Inclusion & Diversity	I have the flexibility I need to manage my work and other commitments.
Inclusion & Diversity	My immediate supervisor/manager genuinely supports equality between all genders.
Innovation	This organisation has established a culture where one can challenge the "status quo" (our traditional ways of doing things).
Innovation	There is strong commitment to innovation at this organisation.



# Appendix 2 – Example Culture Survey (continued)

Factor	Question
Leadership	The leadership of the firm communicates a vision of the future that motivates me.
Learning	The people I work for take an active role in my learning and development (e.g., on-the-job coaching, ensuring I can apply learning, etc.).
Learning	I am satisfied with the learning and development available to improve my knowledge and skills.
Performance	My performance is evaluated fairly.
Performance	The people I work for give me regular feedback that helps me to improve my job performance.
Quality & Risk	My workload allows me the time to deliver work of an appropriate quality.
Reward & Recognition	The people I work for provide me with recognition or praise for good work.
Reward & Recognition	I believe my total compensation (base pay and bonus) is fair for the work I do.
Work Environment & Enablement	I can work where I am most effective to meet client, business and team needs.
Well-being	The amount of work expected of me is reasonable.
Well-being	This organisation shows care and concern for its people.
Well-being	The well-being support provided by the firm is sufficient for my needs.
Values Index   Integrity	The people I work with demonstrate high ethical standards.
Values Index   Integrity	The people I work with help to create an environment where others can comfortably raise concerns.
Values Index   Integrity	The people I work with act with integrity, even when under pressure.
Values Index   Excellence	The people I work with take responsibility for their actions.
Values Index   Excellence	The people I work with role model a high standard of quality in their work.
Values Index   Excellence	The people I work with use feedback sought from others to continuously improve and develop themselves.
Values Index   Courage	The people I work with suggest new products or services to improve the firm's value to the market.
Values Index   Courage	The people I work with are open to new ideas, such as new ways of doing things.
Values Index   Courage	The people I work with challenge the behaviour of others if it is inconsistent with this organisation values.
Values Index   Together	The people I work with show care and consideration for others.
Values Index   Together	The people I work with ensure different voices are heard, such as inviting the perspectives of people with diverse backgrounds, skills, and life experiences.
Values Index   Together	The people I work with collaborate well, such as working with other teams.
Values Index   For Better	The people I work with demonstrate that they care about serving our markets and communities.
Values Index   For Better	The people I work with demonstrate consideration for the long term implications of their decisions.
Values Index   For Better	The people I work with know how their work connects to the positive impact the firm creates.
Purpose Index	This organisation's Purpose 'Inspire Confidence. Empower change', guides the decisions and actions of its people.
Purpose Index	This organisation unites people around the achievement of our firm's Purpose – 'Inspire Confidence. Empower Change'.
Purpose Index	As a firm, this organisation demonstrates commitment to being purpose-led.



# Appendix 2 – Example Culture Survey (continued)

In addition to the above questions, there is also a set of multiple choice questions and free text questions as shown below.

## Multiple choice questions

- In the last year, on average, how many days per week have you spent working remotely (a location other than this organisation or client office):
- Given your choice, how long would you plan to continue working for the organisation?

## Free text questions

- I do not experience significant barriers to doing my job effectively. If you responded Strongly disagree, disagree, or neither agree nor disagree to this question, please suggest what this organisation could do to improve this.
- I have easy access to the tools and resources (e.g., hardware, applications, portals, content, insights) I need to do my job effectively. If you responded Strongly disagree, disagree, or neither agree nor disagree to the last question, please suggest what this organisation could do to improve this.
- The well-being support provided by the organisation is sufficient for my needs. If you responded Strongly disagree, disagree, or neither agree nor disagree to this question, please suggest what this organisation could do to improve this.
- What is the best aspect about working at this organisation?
- What is the most critical area that this organisation needs to address in order to create an outstanding work experience for you?

# Appendix 3 – Stakeholders Consulted

The table below outlines all personnel who were involved in discussions and contributed to the outputs of this engagement.

Personnel	Role
Michael Sedgman	Acting Chief Executive Officer
Tom McCready	Director, City Services
Mike Philippou	Associate Director, Strategic Property & Commercial
Nicole Van Berkel	Acting Manager, Finance
Karen Crompton	Team Leader, Customer Centre
Lisa Loveday	Manager, City Safety
Sue Lawrence	Team Leader, Libraries
Geoff Register	Manager, Infrastructure Delivery
Colleen McDonald	Manager, City Planning & Heritage
Alan Beaton	Team, Leader Safety and Well-being
Louise Williams	Manager, People Services
Michelle Donaldson	Coordinator, Culture and Leadership
Angela Haydon	Team Leader, People Experience
Dr Chanvi Singh	Coordinator, Culture & Leadership
Matt Sexton	Acting Team Leader, Horticulture
Amy Buxton	Community Engagement Support Officer
Janet Crook	Team Leader, Corporate Governance and Legal
Annette Pianezzola	Risk and Audit Analyst



# Appendix 4 – Classification of Internal Audit Findings

The following framework for internal audit ratings has been developed and agreed with the CoA’s Management for prioritising internal audit findings according to their relative significance depending on their impact to the process. The individual internal audit findings contained in reports will be discussed and rated with the CoA’s Management.

Rating	Definition	Examples of business impact	Action(s) required
<b>Extreme/Critical</b>	Issue represents a control weakness, which could cause or is causing severe disruption of the process or severe adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> <li>• Detrimental impact on operations or functions.</li> <li>• Sustained, serious loss in reputation.</li> <li>• Going concern of the business becomes an issue.</li> <li>• Decrease in the public’s confidence in the CoA.</li> <li>• Serious decline in service/product delivery, value and/or quality recognised by stakeholders.</li> <li>• Contractual non-compliance or breach of legislation or regulation with litigation or prosecution and/or penalty.</li> <li>• Life threatening.</li> </ul>	<ul style="list-style-type: none"> <li>• Requires immediate notification to the CoA Audit Committee via the Presiding Member.</li> <li>• Requires immediate notification to CoA’s Chief Executive Officer.</li> <li>• Requires immediate action planning/remediation actions.</li> </ul>
<b>High</b>	Issue represents a control weakness, which could have or is having major adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> <li>• Major impact on operations or functions.</li> <li>• Serious diminution in reputation.</li> <li>• Probable decrease in the public’s confidence in the CoA.</li> <li>• Major decline in service/product delivery, value and/or quality recognised by stakeholders.</li> <li>• Contractual non-compliance or breach of legislation or regulation with probable litigation or prosecution and/or penalty.</li> <li>• Extensive injuries.</li> </ul>	<ul style="list-style-type: none"> <li>• Requires immediate CoA Director notification.</li> <li>• Requires prompt management action planning/remediation actions.</li> </ul>



# Appendix 4 – Classification of Internal Audit Findings (continued)

Rating	Definition	Examples of business impact	Action(s) required
Moderate	Issue represents a control weakness, which could have or is having a moderate adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> <li>Moderate impact on operations or functions.</li> <li>Reputation will be affected in the short-term.</li> <li>Possible decrease in the public’s confidence in the CoA.</li> <li>Moderate decline in service/product delivery, value and/or quality recognised by stakeholders.</li> <li>Contractual non-compliance or breach of legislation or regulation with threat of litigation or prosecution and/or penalty.</li> <li>Medical treatment required.</li> </ul>	<ul style="list-style-type: none"> <li>Requires CoA Director and/or Associate Director attention.</li> <li>Requires short-term management action.</li> </ul>
Low	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives.	<ul style="list-style-type: none"> <li>Minor impact on internal business only.</li> <li>Minor potential impact on reputation.</li> <li>Should not decrease the public’s confidence in the Council.</li> <li>Minimal decline in service/product delivery, value and/or quality recognised by stakeholders.</li> <li>Contractual non-compliance or breach of legislation or regulation with unlikely litigation or prosecution and/or penalty.</li> <li>First aid treatment.</li> </ul>	<ul style="list-style-type: none"> <li>Timeframe for action is subject to competing priorities and cost/benefit (i.e. 90 days).</li> </ul>



# Appendix 5 – Disclaimers

## Inherent Limitations

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