



Organisational Health Index Kāinga Ora 2024

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CELG | Overview and discussion
15 October 2024

Data on our organisational health will provide important insights as we define and execute our reset plan

- Kāinga Ora has run the Organisational Health Index (OHI) survey in 2016 (HNZC) and 2020 to assist with understanding leadership and cultural elements needed to build a distinctively high performing organisation.
- The OHI is suitable at organisational reset/transition points to provide hard and soft organisational insights.
- The results will be used to diagnose Kainga Ora's current strengths and development needs across multiple dimensions - including alignment, execution and external orientation.
- With a view to getting these insights before the end of the year, we are planning to run the survey in early November.
- Given the current organisational context, we will need leaders to actively encourage participation. A response rate of 60 – 65% will give us reliable data.

The big idea: Performance and health are strongly correlated

Performance

What an organisation delivers to its stakeholders in **financial and operational terms**, evaluated through such measures as net operating profit, return on capital employed, total returns to shareholders, net operating costs, and stock turn

Health

How an organisation **aligns** itself, **executes** with excellence, and **renews** itself to sustainably achieve performance aspirations



We think about Health in terms of Outcomes and Management Practices

Outcomes



Management Practices

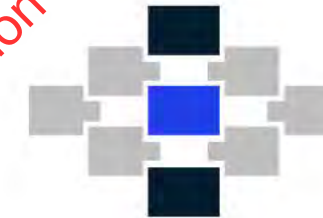


9 outcomes are categorised into the 3 themes of Alignment, Execution and Renewal

9 outcomes



3 themes



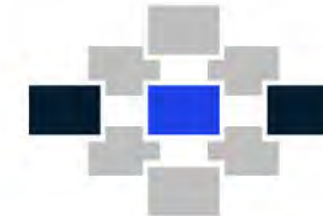
Internal alignment

The organisation has a compelling vision and well-articulated strategy, which is supported by its culture and values



Quality of execution

The organisation demonstrates executional excellence against its strategy and in delivering its services



Capacity for renewal

The organisation effectively understands, interacts, responds and adapts to its situation and external environment

Leadership as core

37 management practices define the current behaviours the organisation uses to drive results

9 outcomes



37 management practices

Direction:

1. Shared vision
2. Strategic clarity
3. Employee involvement

Leadership:

4. Authoritative
5. Consultative
6. Supportive
7. Challenging

Work Environment:

8. Open and trusting
9. Performance transparency
10. Operationally disciplined
11. Creative and entrepreneurial

Accountability:

12. Role clarity
13. Performance contracts
14. Consequence management
15. Personal ownership

Coordination and control:

16. People performance review
17. Operational management
18. Financial management
19. Professional standards
20. Risk management

Capability:

21. Talent acquisition
22. Talent development
23. Process-based capabilities
24. Outsourced expertise

Motivation:

25. Meaningful values
26. Inspirational leaders
27. Career opportunities
28. Financial incentives
29. Rewards and recognition

External orientation:

30. Customer focus
31. Competitive insights
32. Business partnerships
33. Government and community relations

Innovation and learning:

34. Top-down innovation
35. Bottom-up innovation
36. Knowledge sharing
37. Capturing external ideas

Kāinga Ora's 2020 and 2016 health scores and supporting outcomes

9(2)(b)(ii)

Overall health 2020



Outcome profile 2020



Overall health 2016



Outcome profile 2016



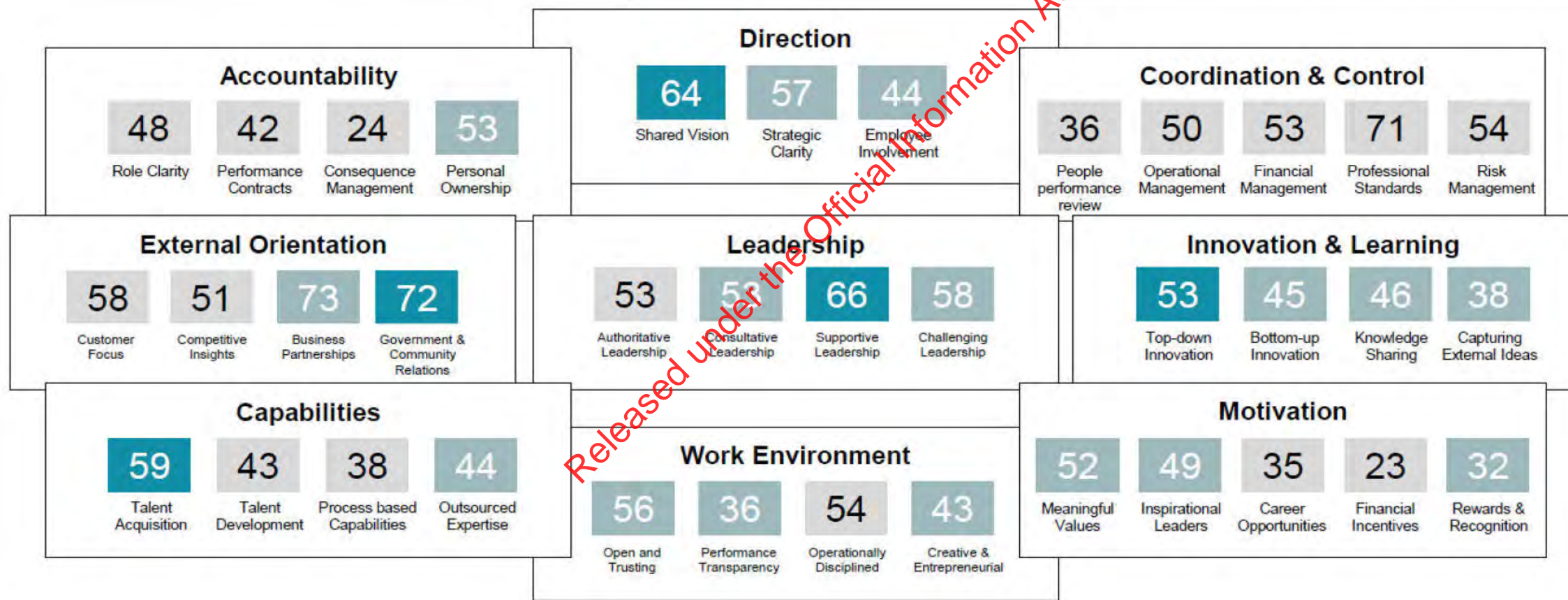
Source: Kāinga Ora (n=1,168); Benchmark: Global (n=2,831,869, no. surveys=823)

Source: Housing NZ OHI 2016 (n=715); Benchmark (n=1,583,787, no. surveys=750)



Practice profile – Percentage of respondents who selected 'often' or 'almost always'

9(2)(b)(ii)



OHI deployment generally takes 6-8 weeks from setup to analysis - we are planning now for launch in November'24

Phase 1

Survey Set Up

~2-3 weeks
(Week of 14th Oct)



Determine survey scope and organisational alignment

Ethics process

Data cleansing/Technology testing

Determine launch plan (including comms)

Phase 2

Survey Live

~2 weeks
(proposed 7th Nov)



Launch Survey

Monitor response rates (target of minimum 65%)

Send survey reminders and administer campaigns

Phase 3

Analysis

~2-3 weeks
(late Nov - mid Dec)



OHI Analysis and benchmark with global OHI database

Create organisation-wide report

Schedule CELG debrief conversations

Develop communication plan for the organisation

Things to consider in running the survey

Considerations	Response
Perceptions around survey timing given organisational context	CE/CELG-led communications acknowledging context, the rationale for the survey and why now. General communications reinforcing participation is encouraged, not compulsory.
Low response rate due to organisational context and perception that nothing happens with feedback	Clear communications on why participation is important and how we'll share and use the results. Regular response rate reporting from McKinsey to CELG. Involve people leaders to lift participation rates, including working with CSC leadership to enable participation. Sharing the results at organisational level with relevant organisational themes. Sharing any action plans.
Assuring confidentiality and safe housing of data	Individual responses are not shared with Kāinga Ora. Access is limited to the McKinsey OHI Team who send survey links directly to employees. The team will have access to individual responses (stripped of unique identifiers i.e. Employee ID and emails). In reporting the results, only aggregates and percentages based on the total number of responses are shared. Comments for open-ended questions will be grouped with those from all other employees and randomised. McKinsey will have all relevant data on its servers, therefore it is processing the data. There are technological and operational safeguards in place to ensure data security (SOC II Type II compliant, highest security platform).