

Finsec Staffing Survey

BNZ Results

March 2008



BNZ Staffing Survey Introduction

The aim of the staffing survey was to undertake a major assessment and analysis of how staffing levels are impacting on employees individually, their teams, the quality of service they deliver, and customers.

The survey focused on three major areas which were:

- Staffing Levels and Impacts
- Leave and Replacements
- Additional Hours

Staffing numbers in the BNZ have steeply declined over recent years. In 1997, the bank employed 5179 staff in New Zealand, and in 2006 employed 4614. This represents a decrease of 565 staff or 11% between 1997 and 2006. During the same period, the average operating income per staff member at BNZ increased from \$171,000 to \$353,000.

Survey participants

A total of 2390 staff members from ANZ National and BNZ participated in the survey. 805 or one third of responses were from BNZ staff members. This equates to over 50% of Finsec members in the BNZ responding to the survey and over 17% of total BNZ staff (based on 2006 FTE). This is a very high rate of return for a survey.

70% of respondents said they were Finsec members, 25% said they were non-members and 5% did not indicate whether or not they belonged to Finsec.

Of the BNZ respondents, 65% worked in retail, 21% worked in back office, 9% worked in call centres and the remainder did not specify which area of the bank they worked in.

Better Banks Agenda for Change

Finsec's **Better Banks** Agenda for Change sets clear goals to improve employment and customer service in the sector.

Firstly we want to benchmark total staff numbers against the number of staff employed by the banks at the end of 1997. We have chosen 1997 as it was the last year that there were significant lay offs across the banks. By 1997 all the banks had largely established their back office sites and call centres. Since then there has been a slower and steady decline in numbers as the banks have continued to work staff harder and undertake smaller restructurings and lay offs.

Secondly we want to increase the calculation of relief cover to 35 days per FTE. At the moment the banks calculate relief on around 28-30 days per staff members. Our calculation is based on 20 days annual leave, 10 days sick leave and then an average across staff of 5 days combined for all other forms of leave such as domestic, family, bereavement, unpaid, additional bank holidays, union leave etc. Our view is that 35 days is a much more realistic

figure to calculate relief by and will make a significant improvement to sites in terms of having relief staffing budgeted and available more often.

Our third measure is aimed at staff turnover. This is a major industry problem and our goal is to slow turnover down. To do this we want to create an incentive to stay in the industry through the introduction of the payment of an annual retention bonus of \$1000 for all staff after working 12 months and then every 12 months after that.

Overview of findings

This report contains the results of responses to each question in the survey.

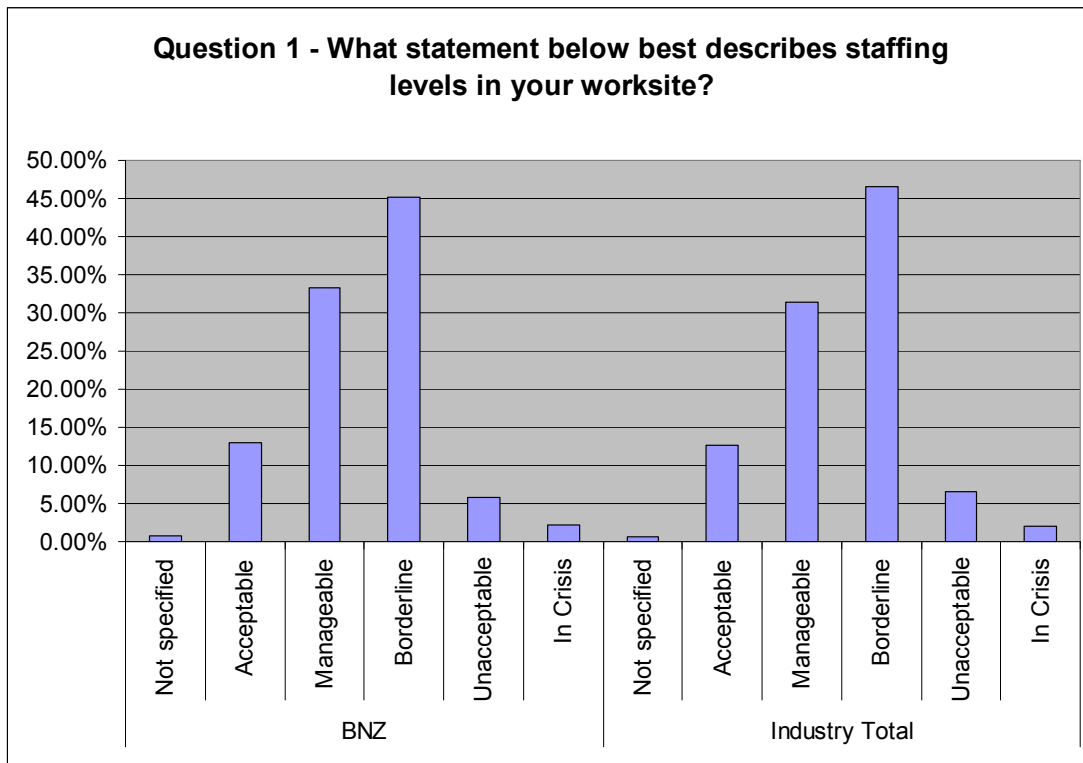
Each question is examined firstly from the perspective of the overall BNZ result compared the total of the ANZ National and BNZ results combined (Industry results). Comment on key findings are contained next to these graphs.

Results for each question from each business unit; retail, back office and call centres are also provided.

It is our view the results of this survey provide clear evidence that significant changes to staffing are needed at the BNZ. We believe our **Agenda for Change** goals provide a blue print of the solutions BNZ should be implementing to fix the staffing problems highlighted in this report.

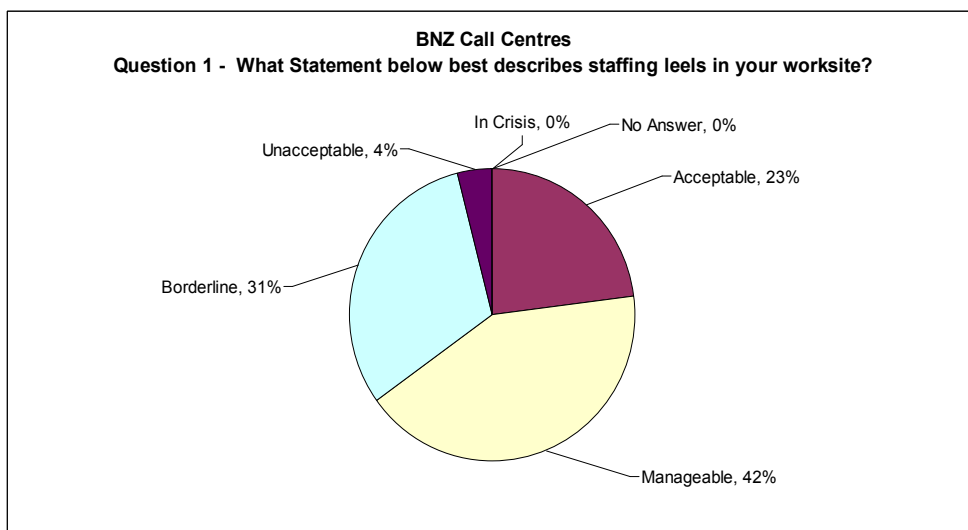
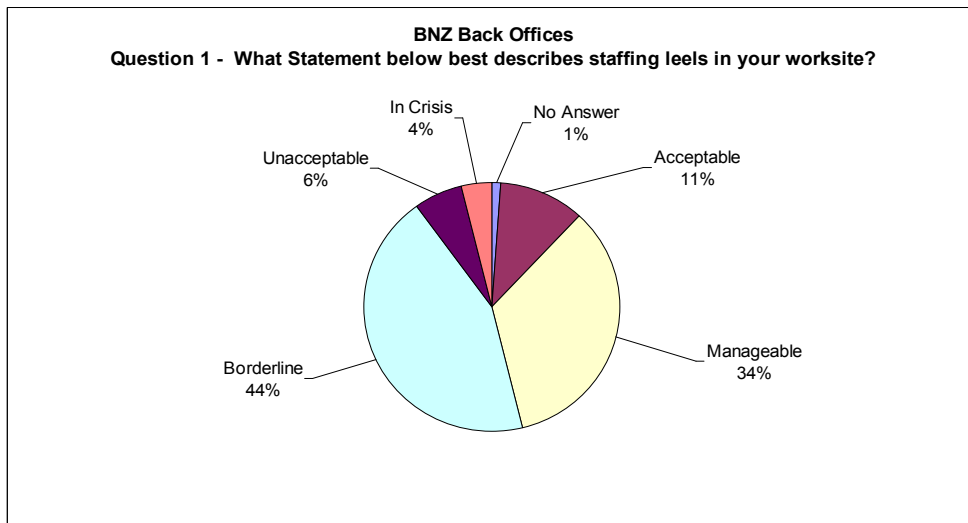
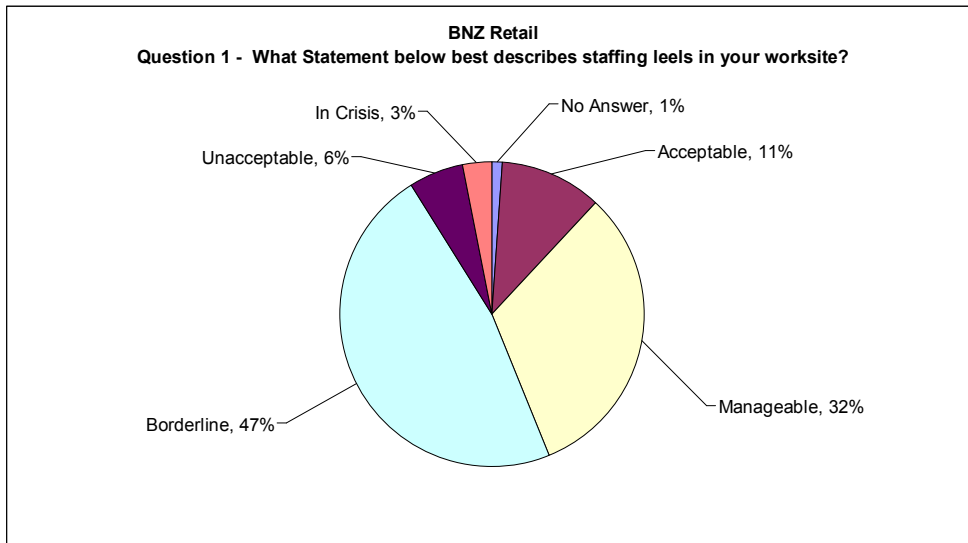
The BNZ Union Council

Question 1: What statement best describes staffing levels in your worksite?

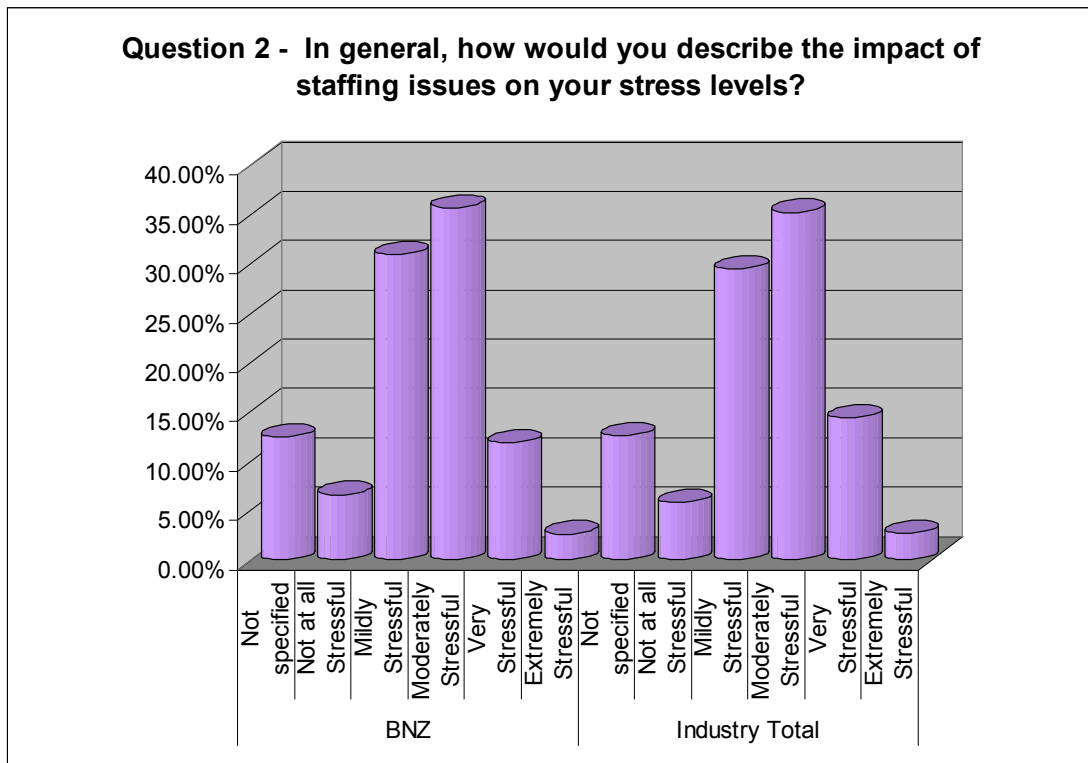


- The majority of BNZ staff (53%) identified staffing levels as a concern, describing them as borderline, unacceptable or in crisis.
- Staffing levels were particularly an issue for retail staff, 56% of whom described staffing levels as borderline or worse.

Question 1: What statement best describes staffing levels in your worksite?

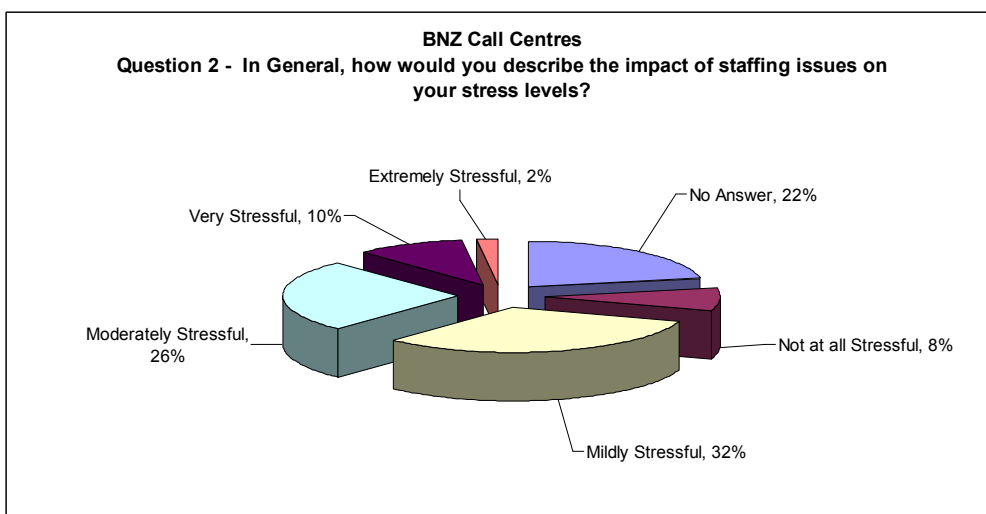
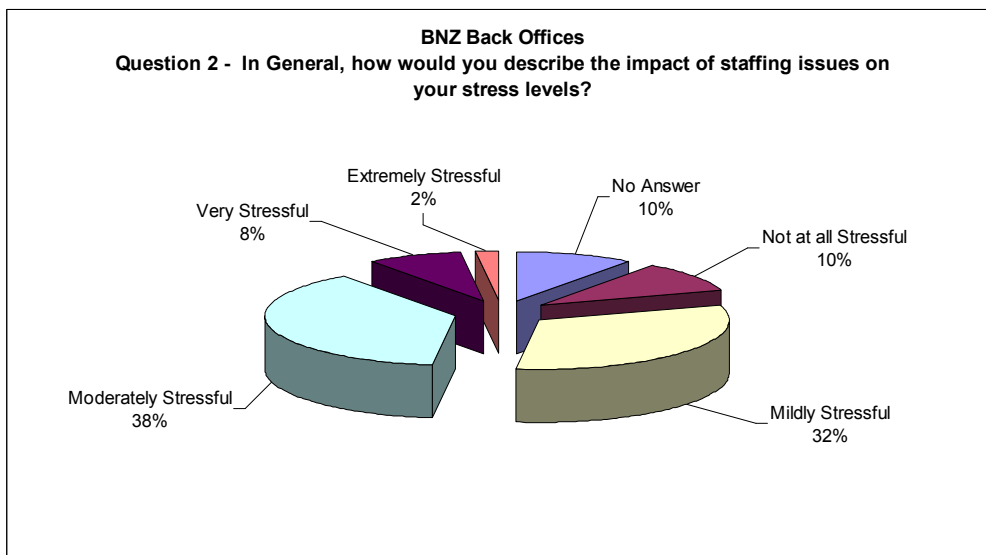
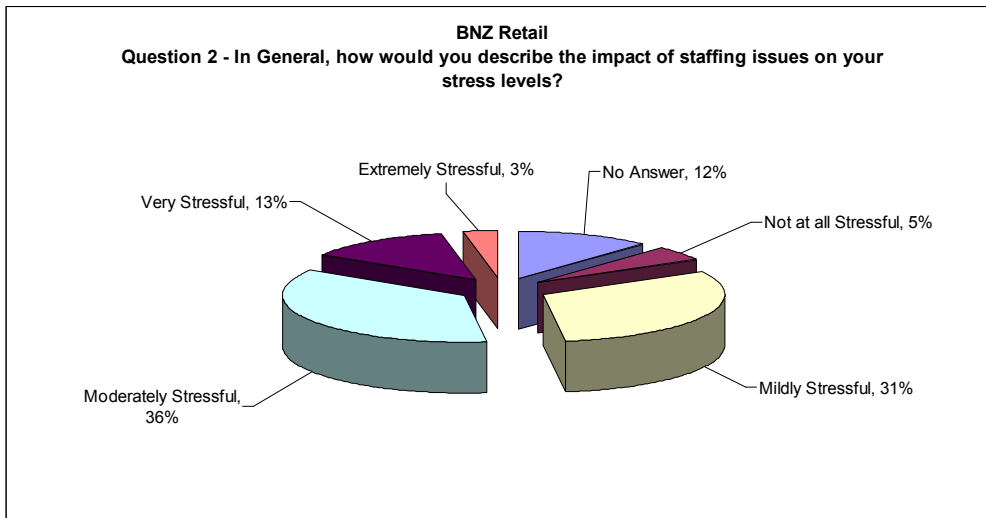


Question 2: In general how would you describe the impact of staffing issues on your stress levels?

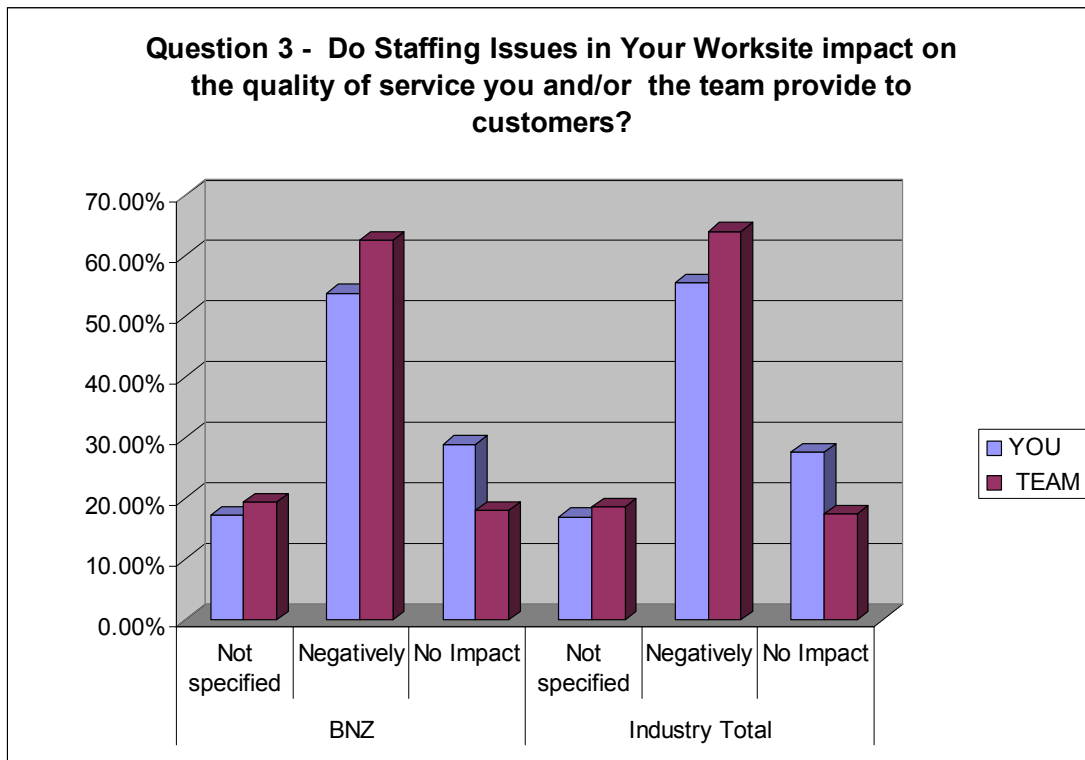


- 81% of BNZ staff said that staffing levels caused them some degree of stress.
- Only 7% said that staffing levels were not at all stressful.
- Half of BNZ staff said the impact of staffing levels were moderate, very or extremely stressful
- Retail staff were most affected by staffing levels, with 16% describing the impact as very or extremely stressful.

Question 2: In general how would you describe the impact of staffing issues on your stress levels?

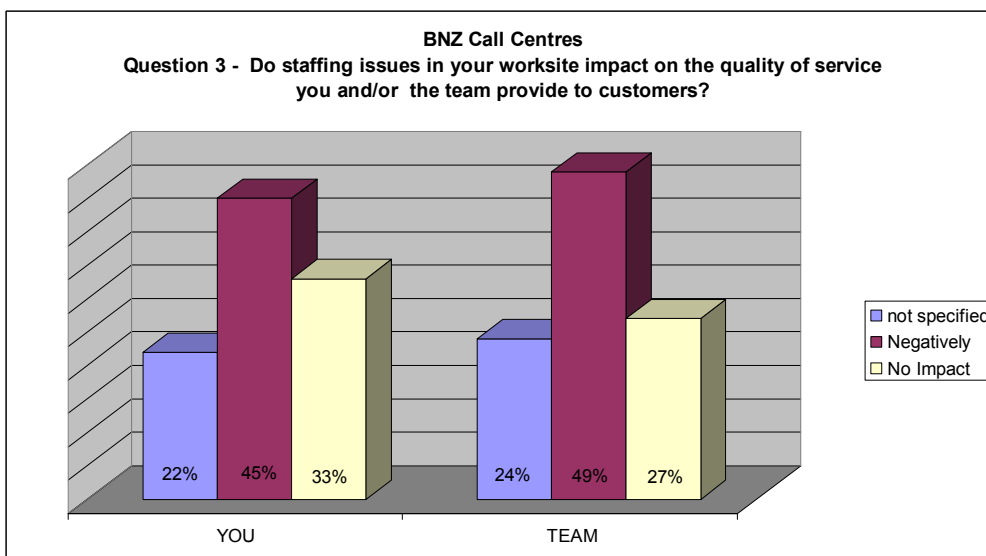
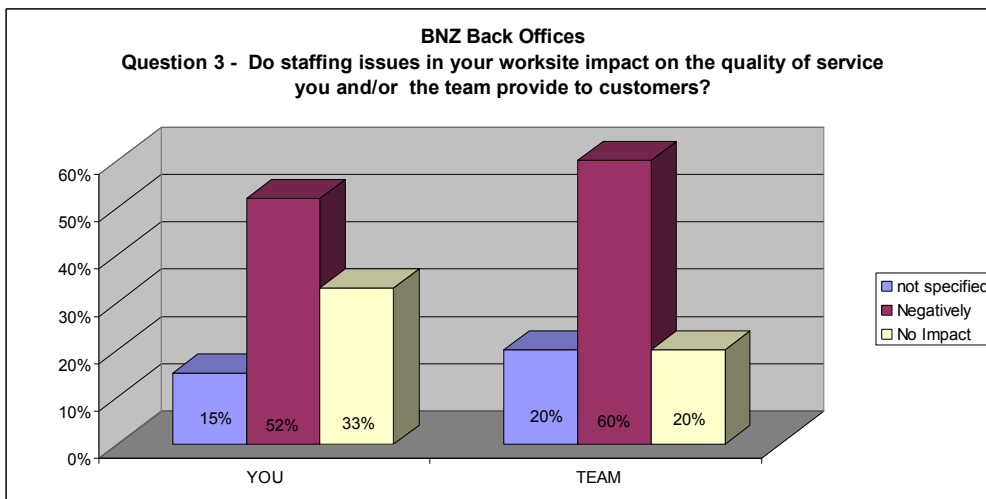
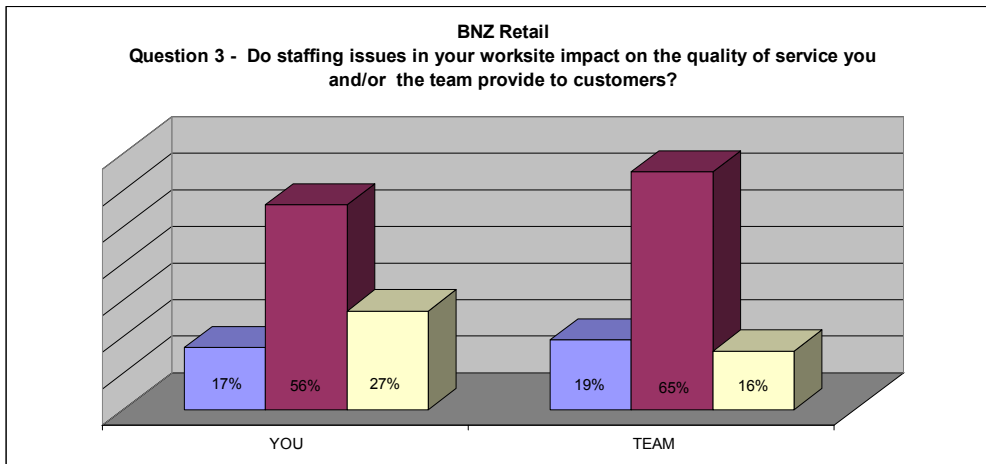


Question 3: Do staffing issues in your worksite impact on the quality of service you and/or the team provide to customers?

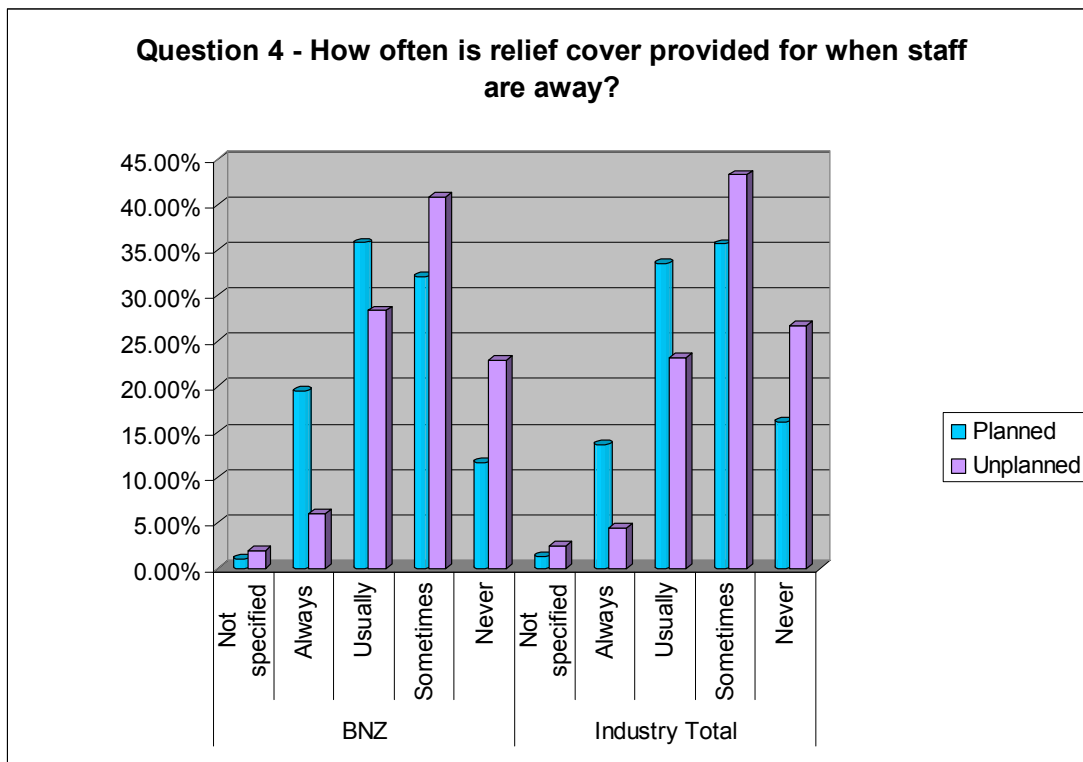


- The majority of staff say that staffing levels have a negative impact on the quality of customer service.
- 63% say that the quality of customer service of the team is affected, and 54% say that the quality of their individual work is affected.
- Again the impact is worse for BNZ retail staff, with two thirds (66%) saying that there is a negative impact across their team.

Question 3: Do staffing issues in your worksite impact on the quality of service you and/or the team provide to customers?

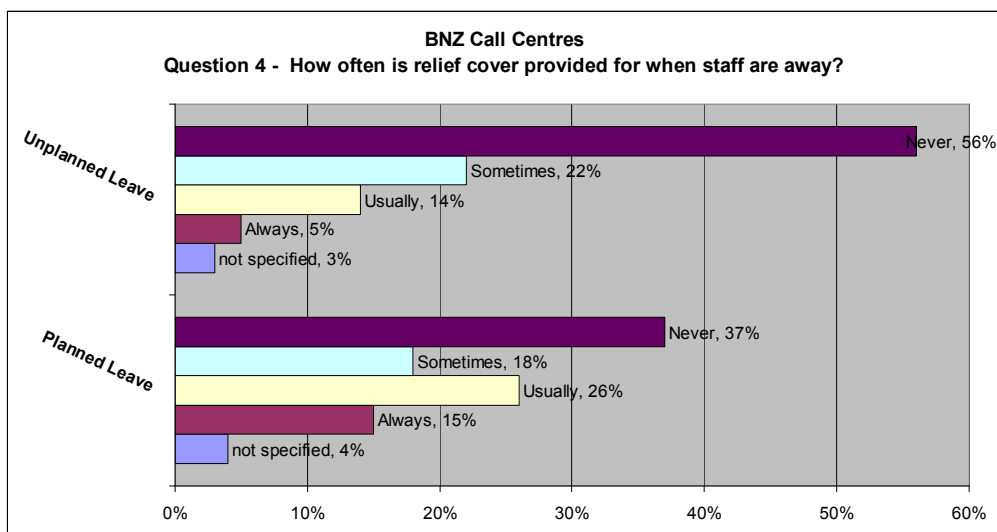
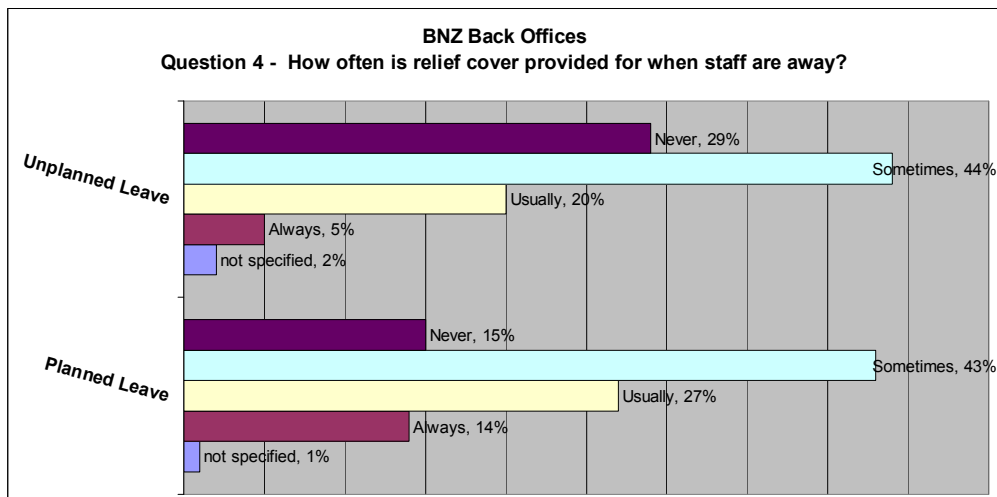
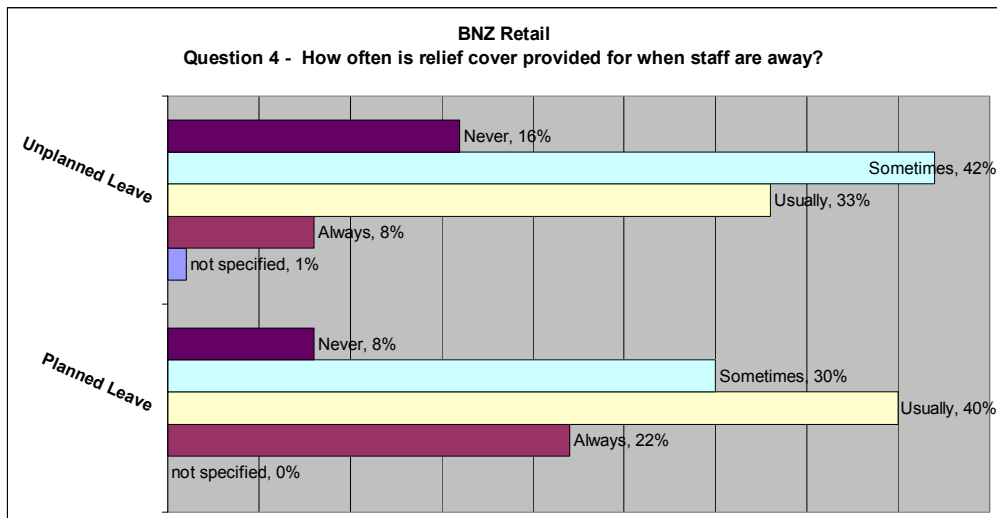


Question 4: How often is relief cover provided for when staff are away?

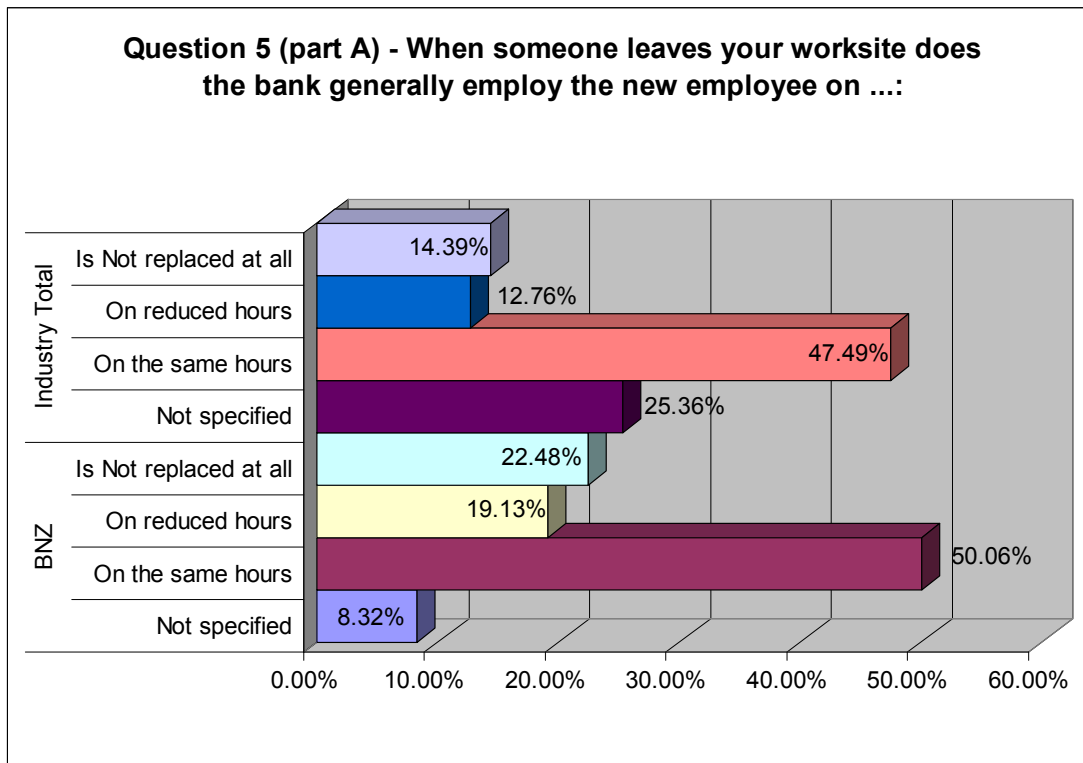


- BNZ staff report that relief cover for both planned and unplanned leave is not covered in a systematic way
- 44% say relief cover is sometimes or never covered for planned leave
- Nearly two thirds (64%) say unplanned leave is sometimes or never covered
- Relief staffing cover is much less adequate for back office and call centre staff. In call centres 56% say unplanned leave is never covered, and 37% say planned leave is never covered.

Question 4: How often is relief cover provided for when staff are away?

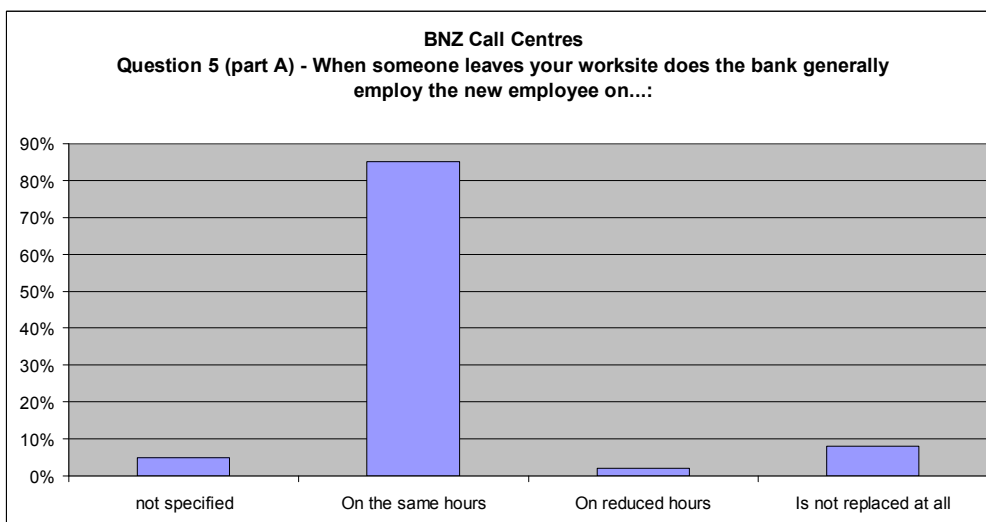
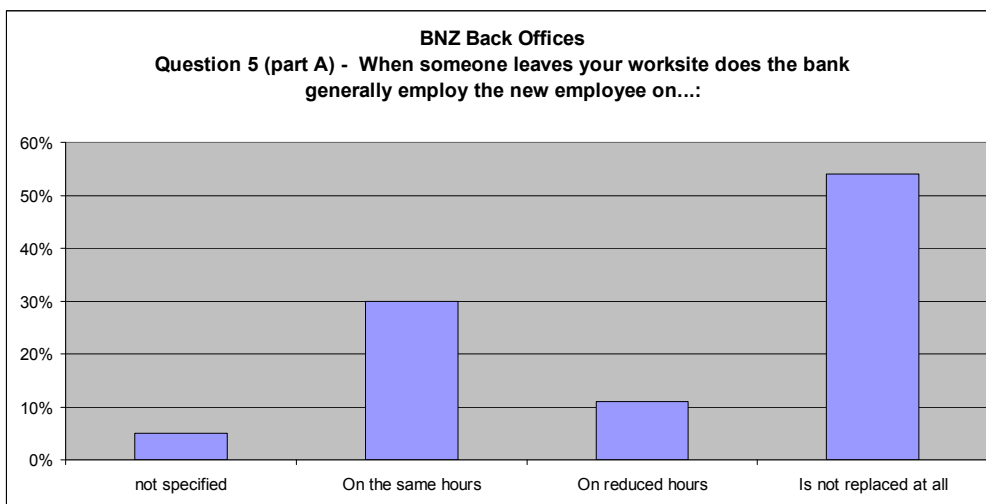
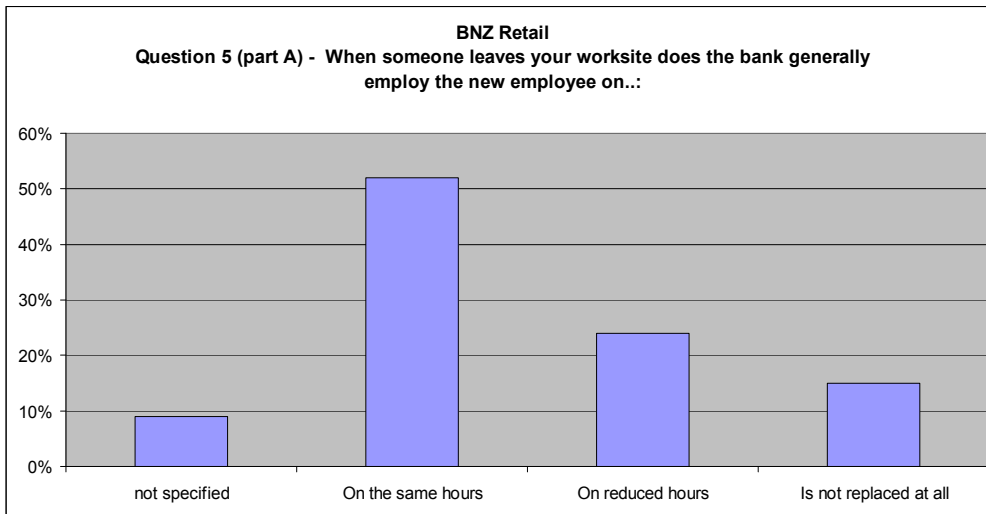


Question 5 (A): When someone leaves your worksite does the bank generally employ the new employee on..?

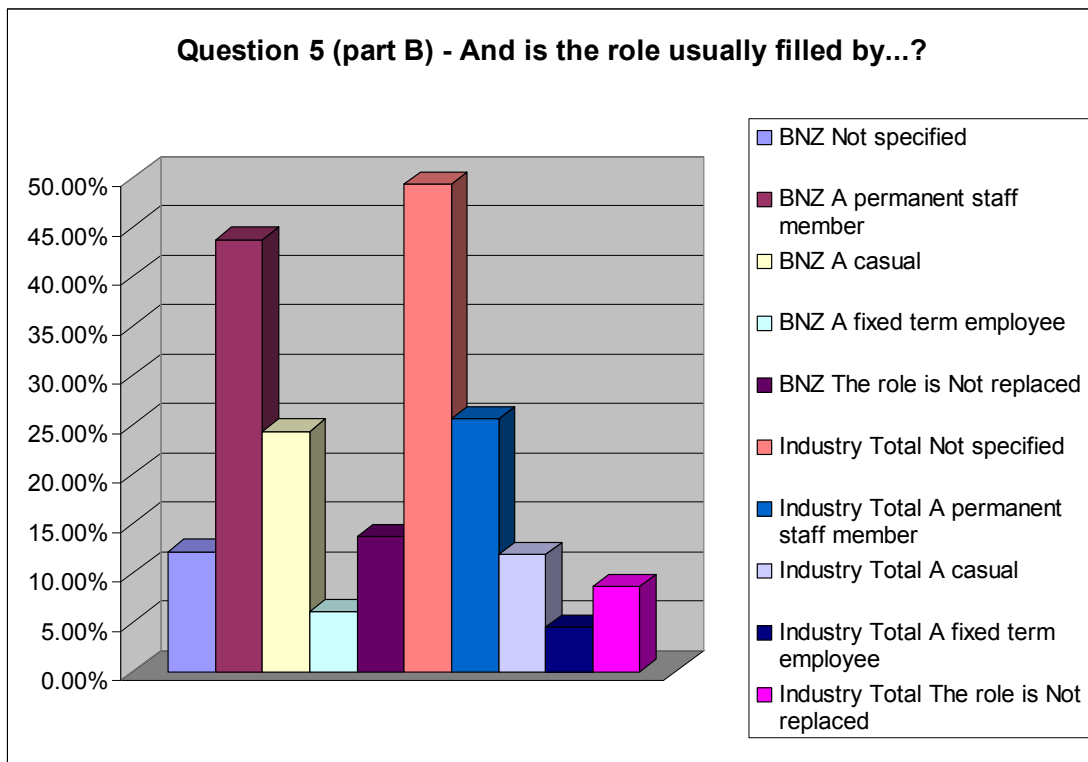


- Staffing levels look set to deteriorate further, with only 50% of BNZ staff reporting that when a staff member leaves the replacement covers the same number of hours.
- 19% say that replacement is on reduced hours, and 23% say that leaving staff are not replaced at all.
- BNZ replacements are significantly worse than the industry average, where only 14% say that staff are not replaced.
- Staff in back offices in particular are not being replaced, with only 30% being replaced on the same hours and over half are not replaced at all.

Question 5 (A): When someone leaves your worksite does the bank generally employ the new employee on..?

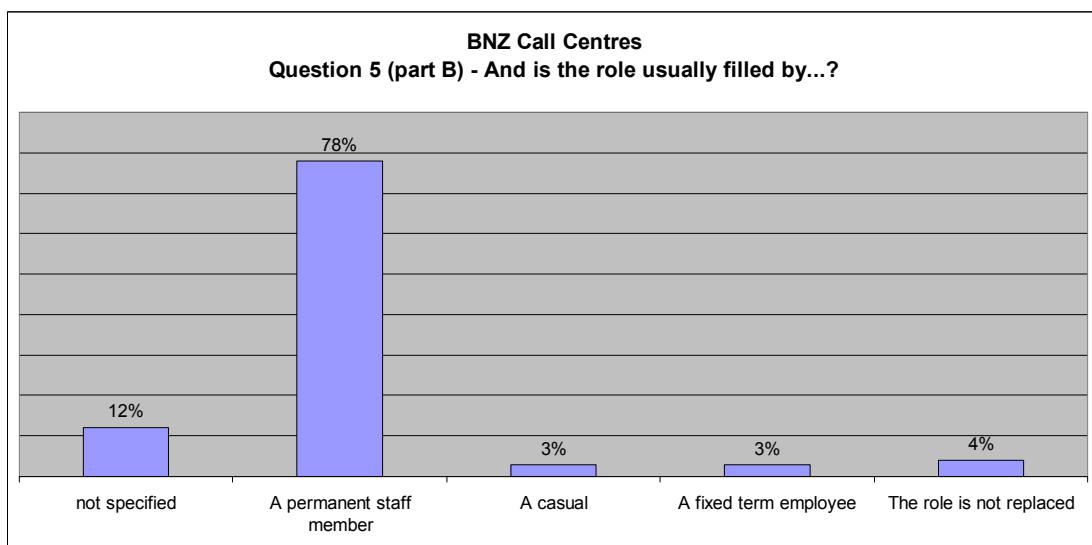
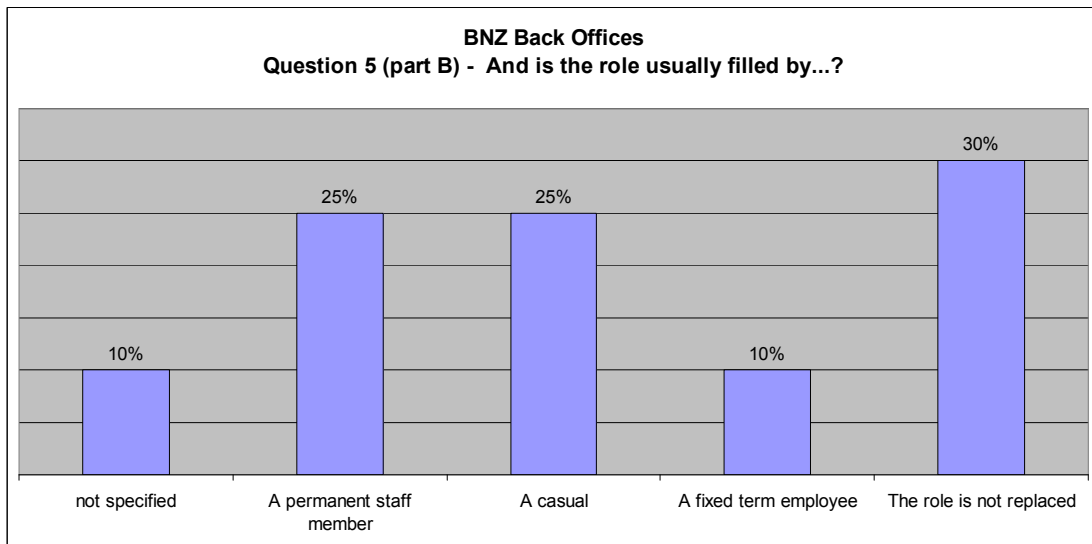
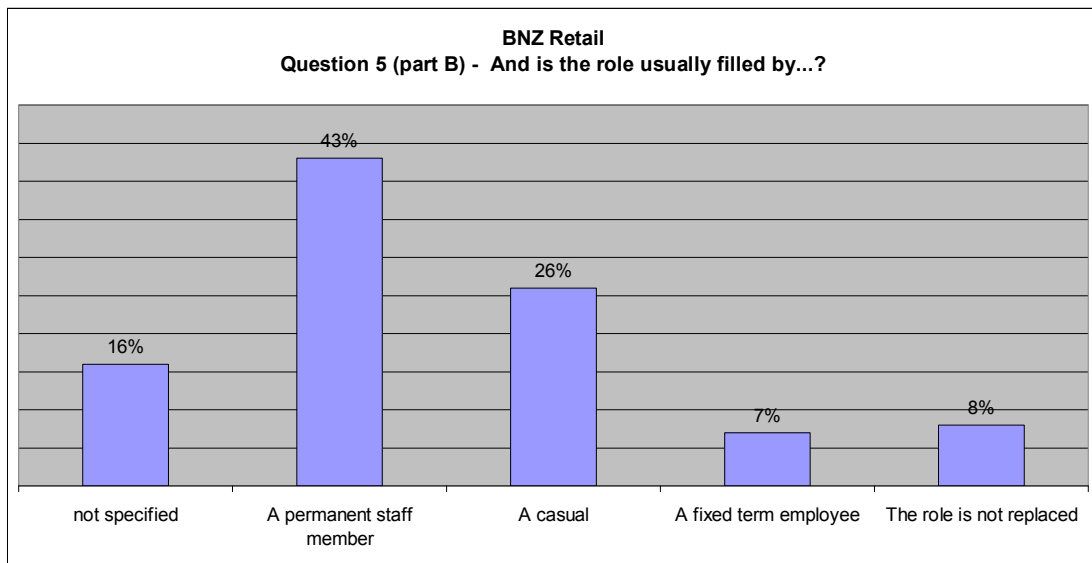


Question 5 (B): And is the role usually filled by....?

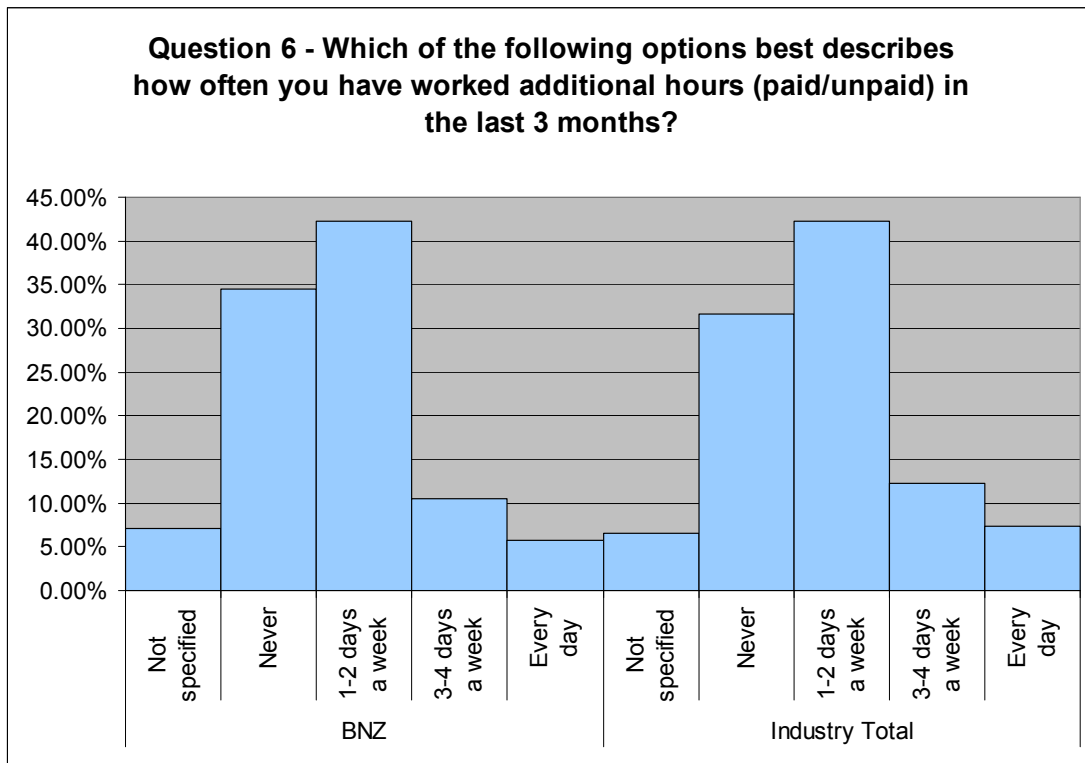


- The survey reveals significant casualisation of the BNZ workforce, with less than half (44%) saying staff are replaced with permanent staff.
- 30% say positions are replaced with casual or fixed term staff with 14% saying roles are not replaced at all.
- Again, back office staff report the worse statistics on replacement, with 35% saying positions are casual or fixed term, and 30% reporting that roles are not replaced.

Question 5 (B): And is the role usually filled by....?

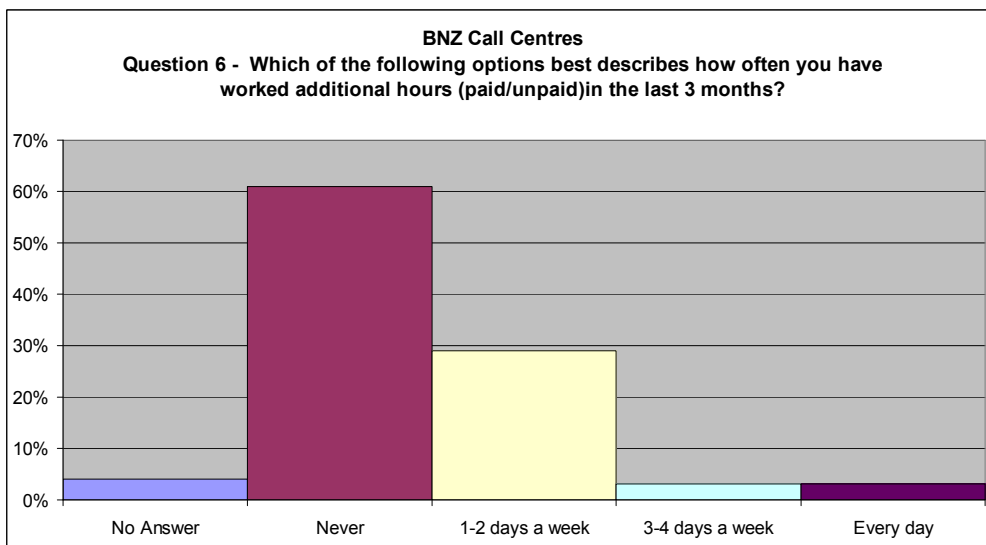
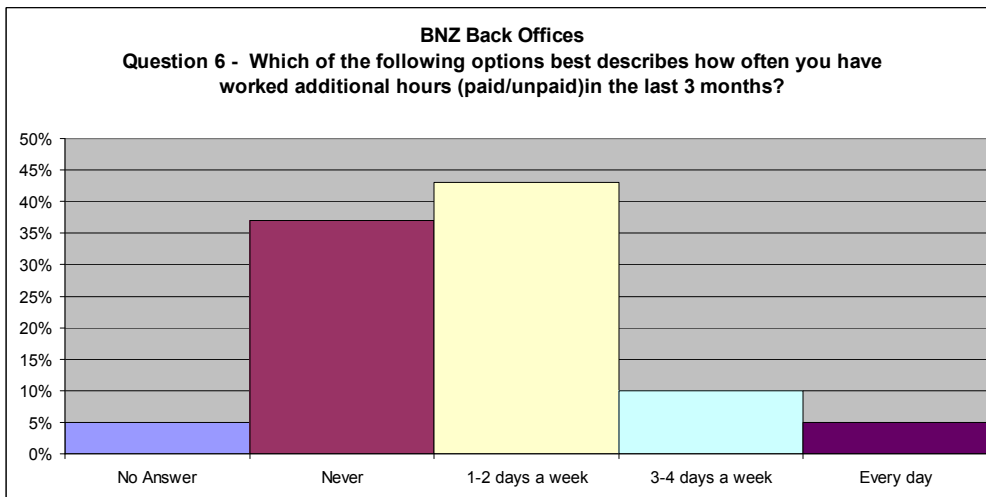
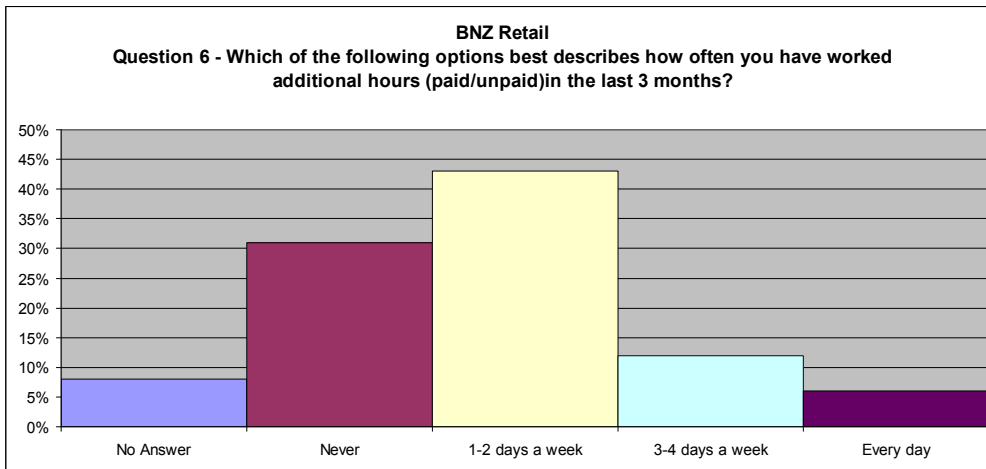


Question 6: Which of the following options best describes how often you have worked additional hours (paid/unpaid) in the last 3 months?

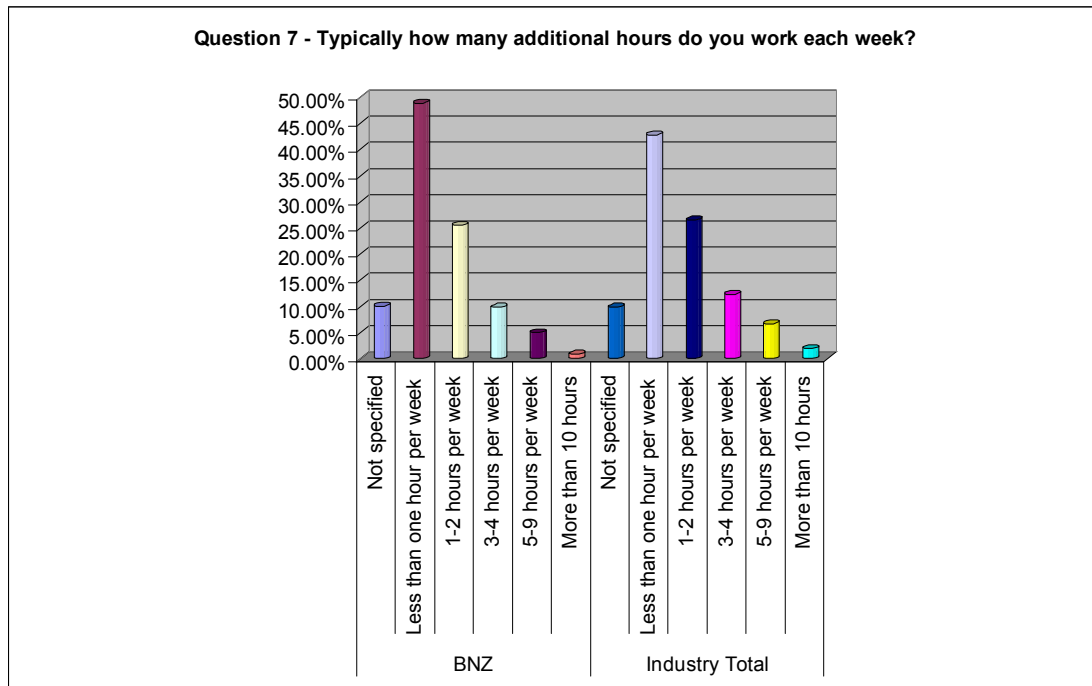


- Over half (58%) of BNZ staff have worked additional hours in the last three months.
- 6% of staff have worked additional hours every day.

Question 6: Which of the following options best describes how often you have worked additional hours (paid/unpaid) in the last 3 months?

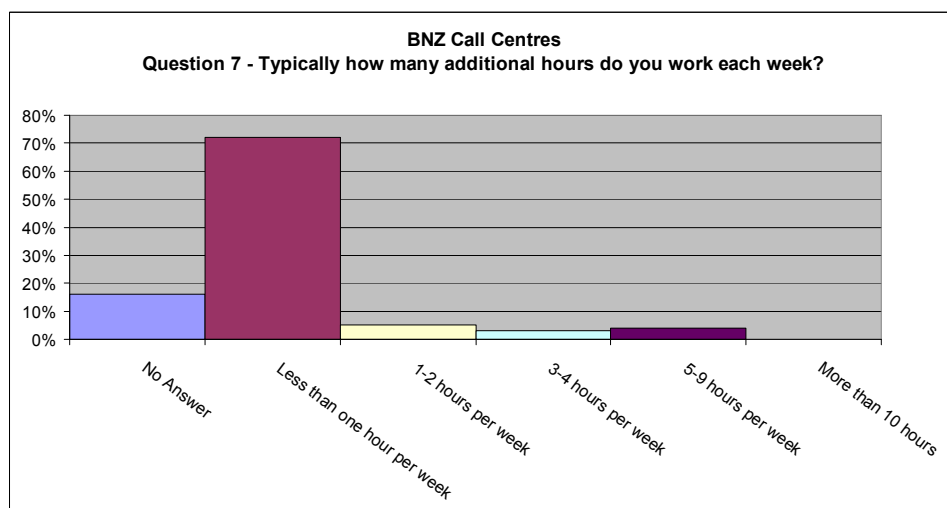
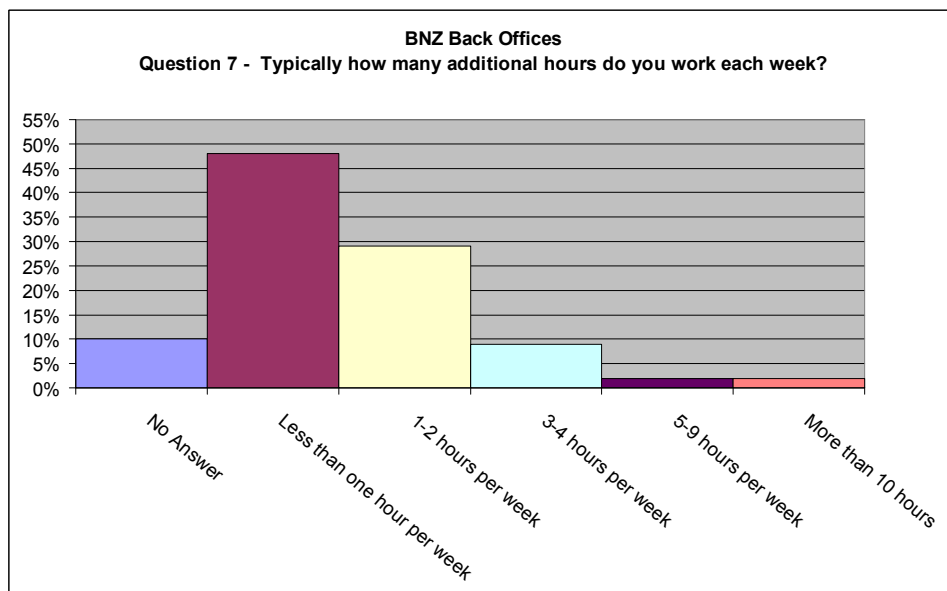
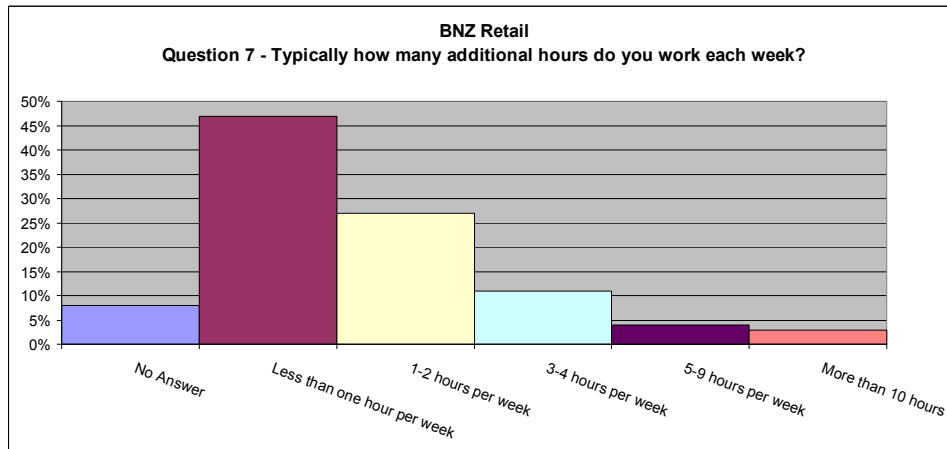


Question 7: Typically how many additional hours do you work each week?

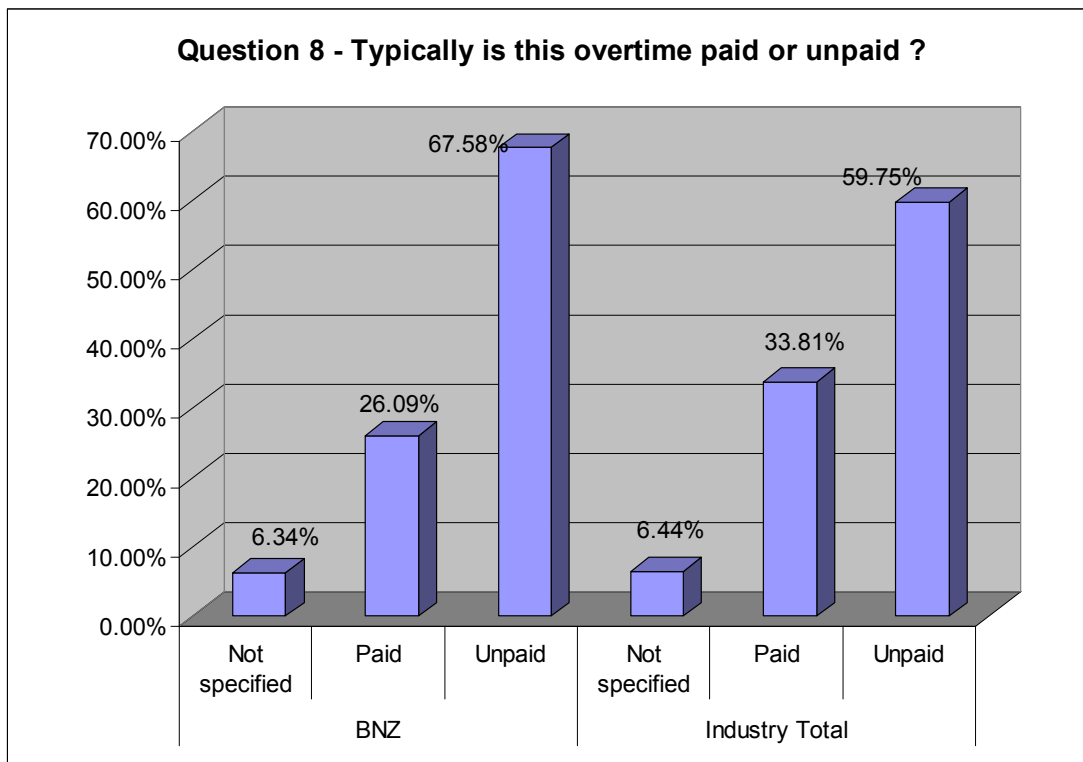


- 16% of BNZ staff worked more than three additional hours each week.
- A further 25% worked 1-2 additional hours per week.

Question 7: Typically how many additional hours do you work each week?

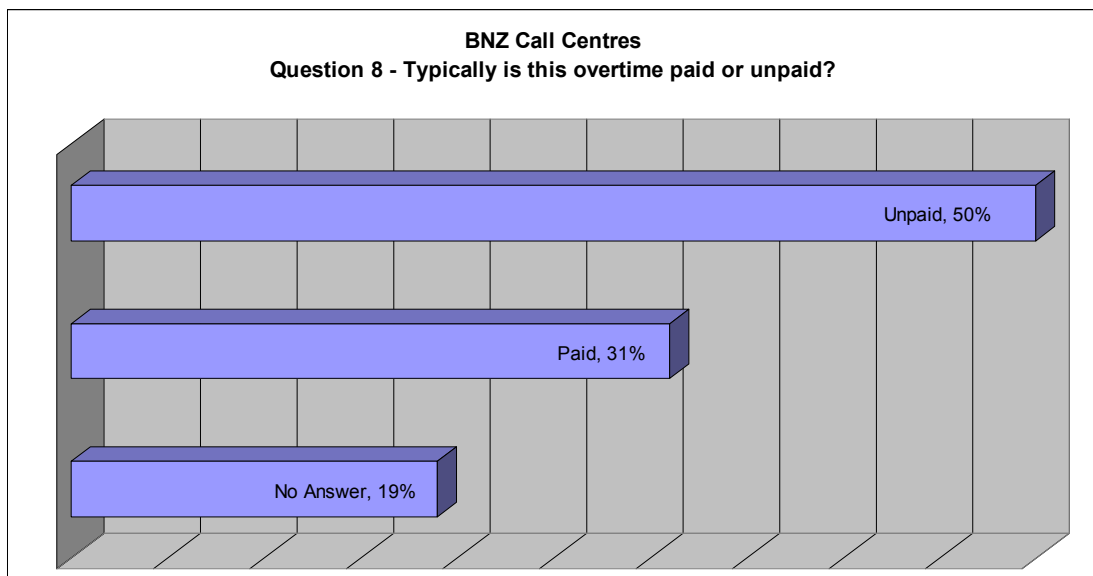
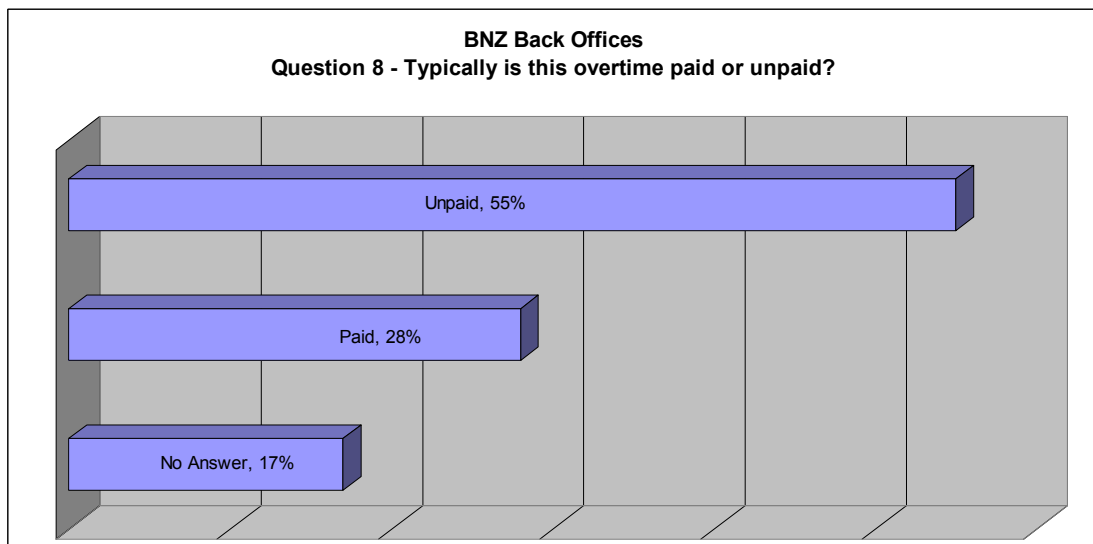
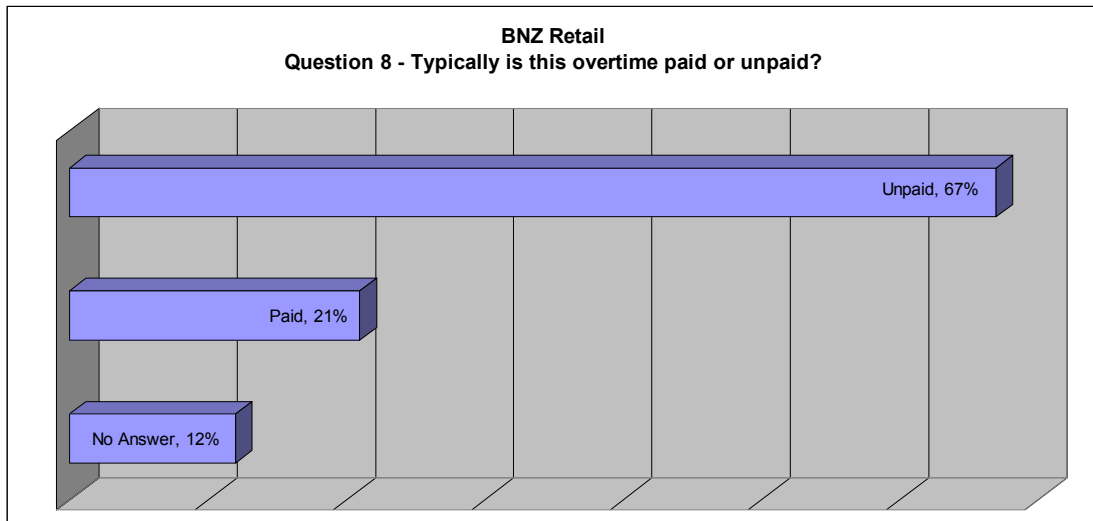


Question 8: Typically is this overtime paid or unpaid?

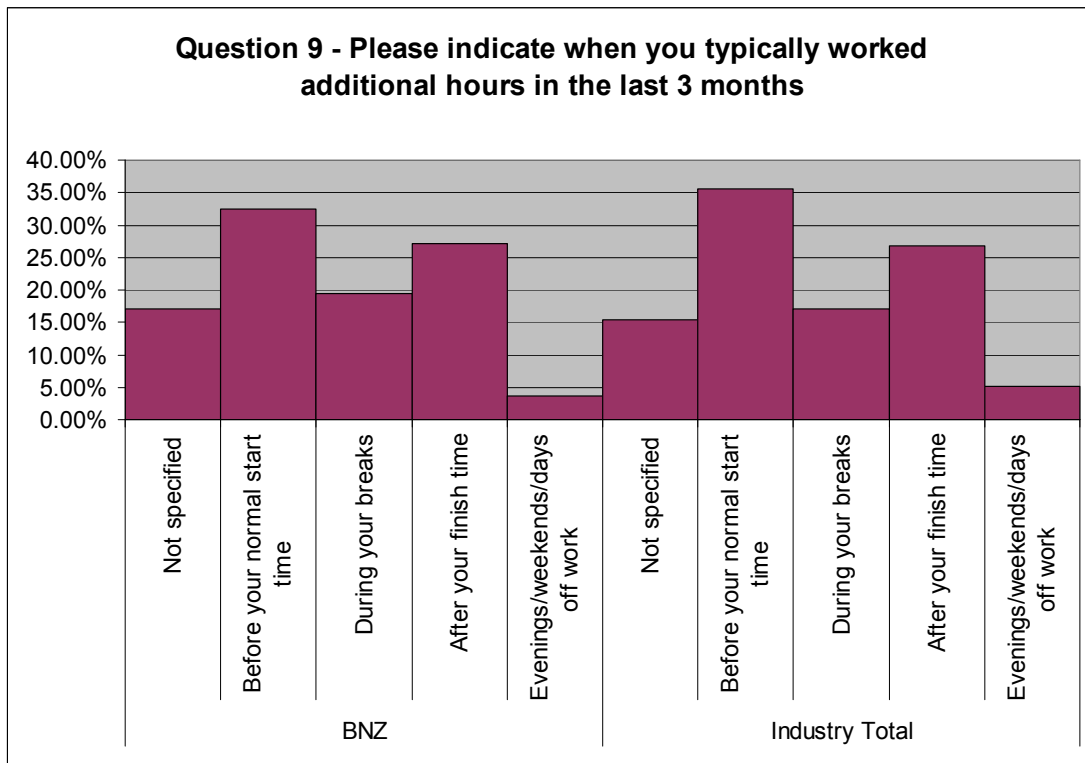


- More than two thirds of staff (67%) say their additional hours are typically unpaid.
- BNZ staff are more likely to be working unpaid hours than the industry average.
- Retail staff are less likely to be paid for their additional hours of work.

Question 8: Typically is this overtime paid or unpaid?

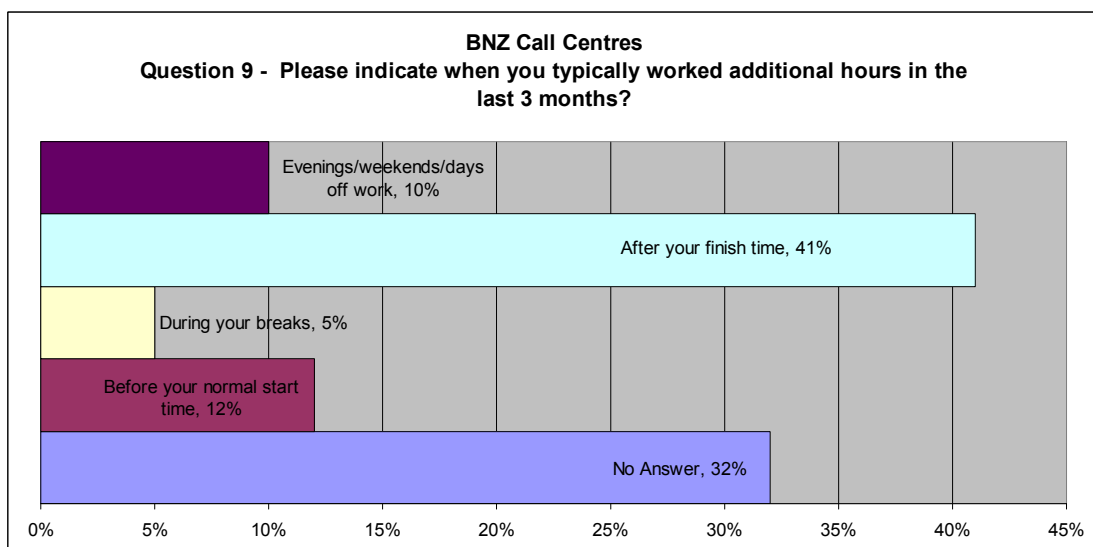
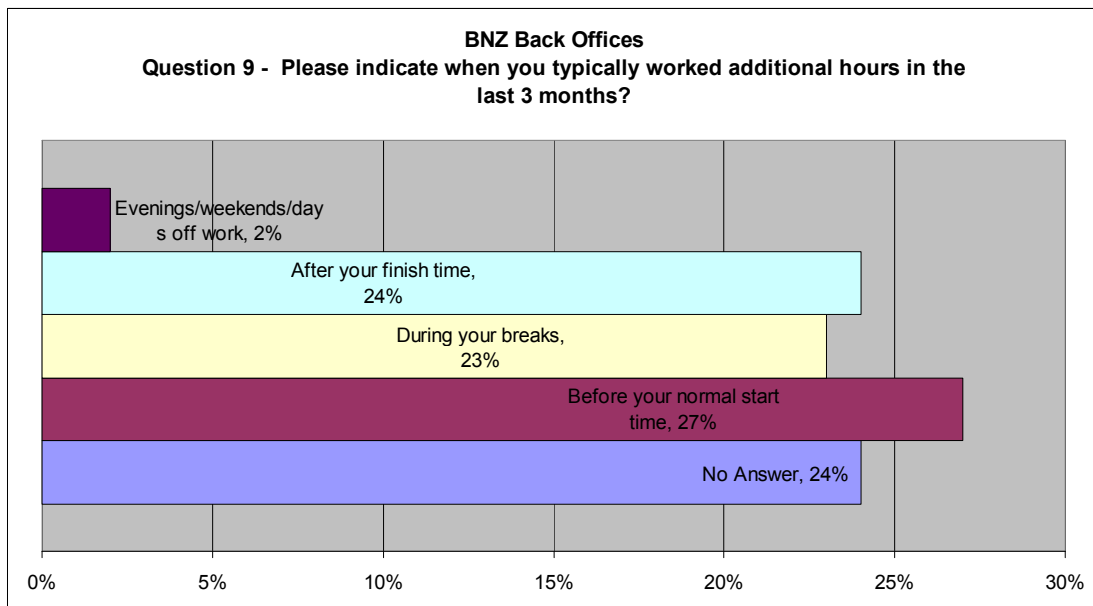
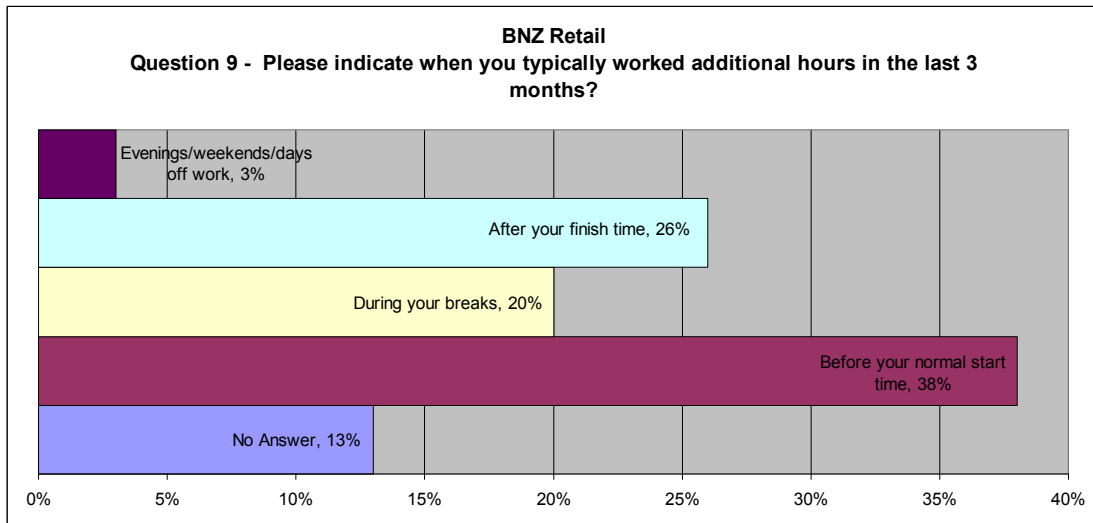


Question 9: Indicate when you typically worked additional hours in the last 3 months

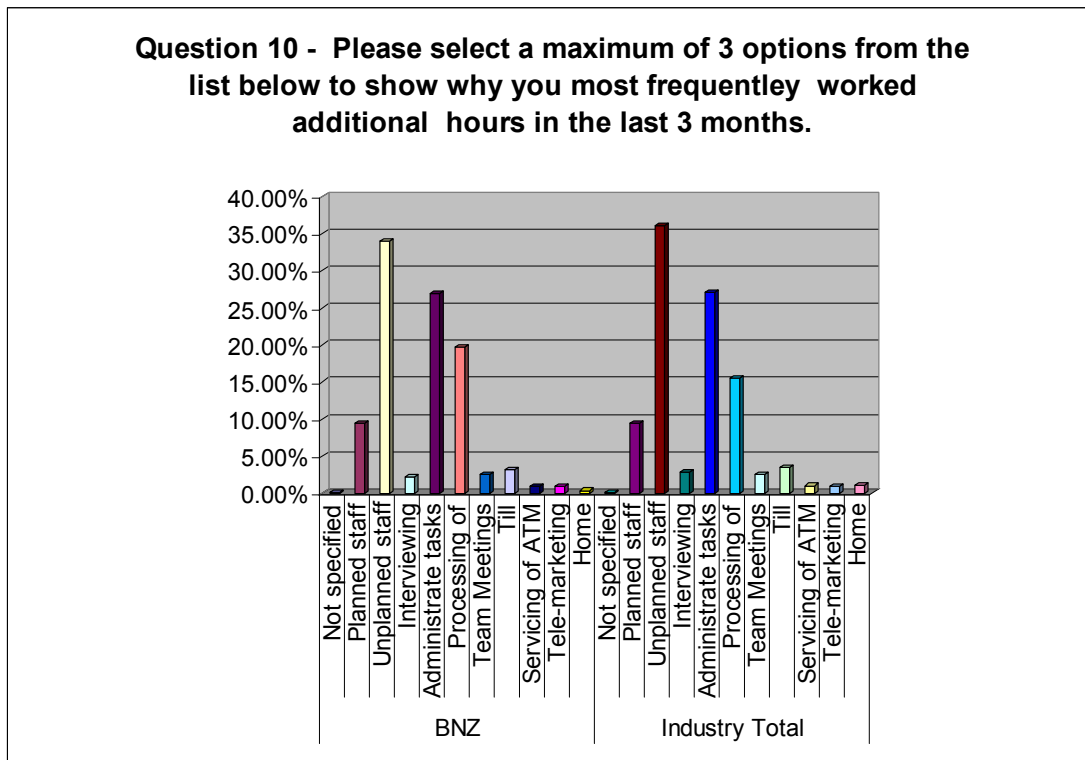


- BNZ staff are working additional hours throughout the day. A third are starting early, 27% staying late and nearly 20% work during their breaks.
- Retail staff in particular are putting in extra hours before their normal start time.

Question 9: Indicate when you typically worked additional hours in the last 3 months



Question 10 (A): Select a maximum of 3 from the list to show why you most frequently worked additional hours in the last 3 months



- BNZ staff report that they are working additional hours due to unplanned staff shortages, administrative tasks, and processing documents.

Question 10 (B): Other reasons for working additional hours

