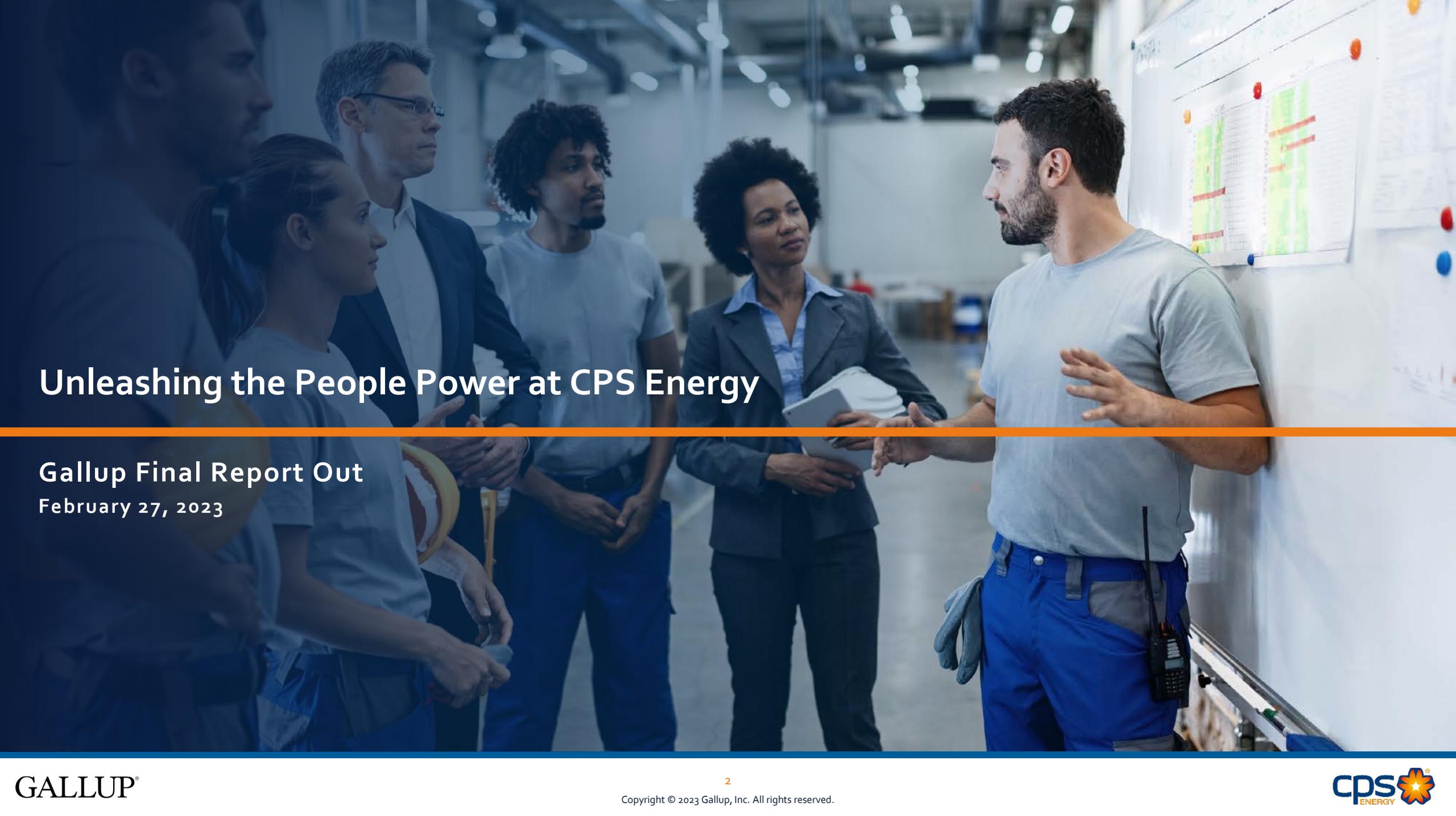


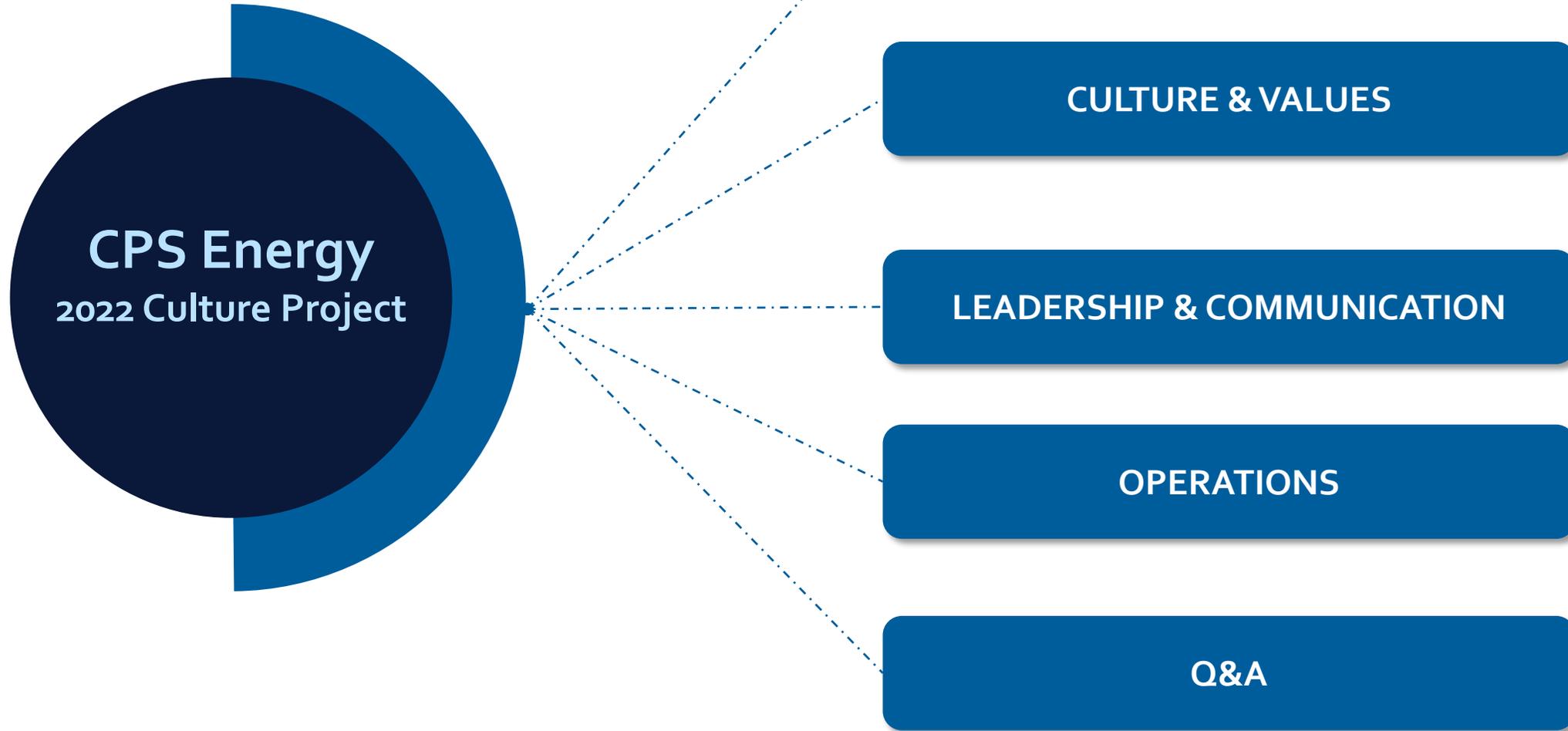
GALLUP®



# Unleashing the People Power at CPS Energy

Gallup Final Report Out  
February 27, 2023

# Agenda



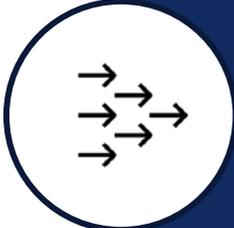
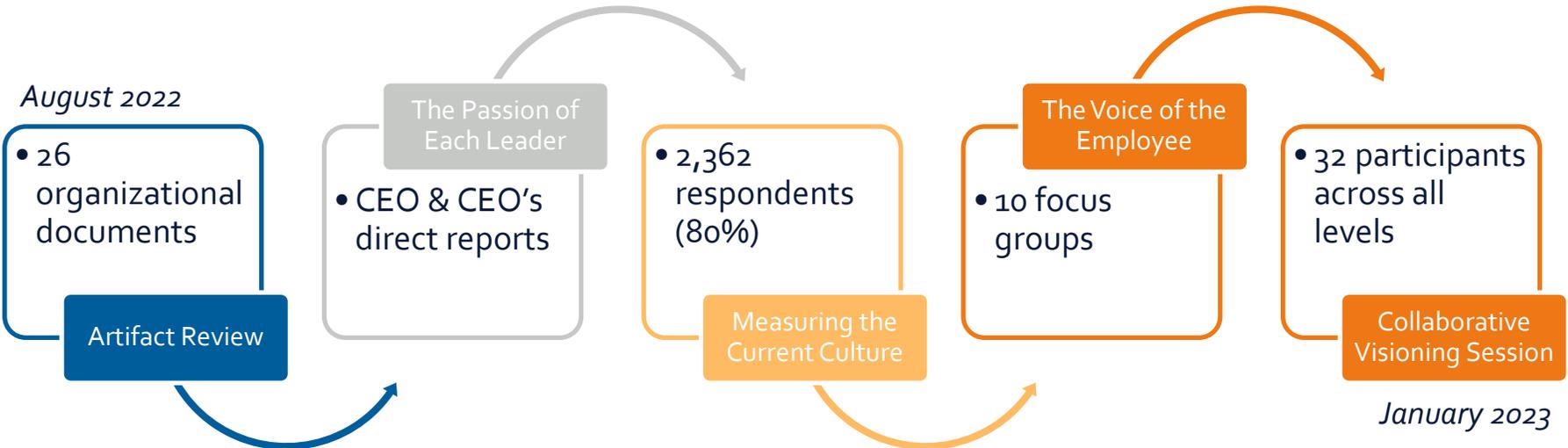
# 2022 CPS Energy Culture Project Overview

## GOAL

- ▶ In 2022, Gallup was chosen to help CPS Energy conduct a review of the current culture, workforce development policies, programs and practices.

## PHASES

- ▶ Gallup designed the project to gather both quantitative and qualitative research across all levels of the organization.



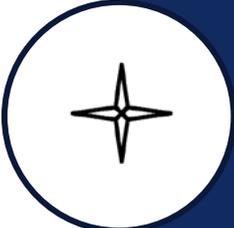
LEADERS



HUMAN CAPITAL



WORKSTREAMS & STRUCTURES

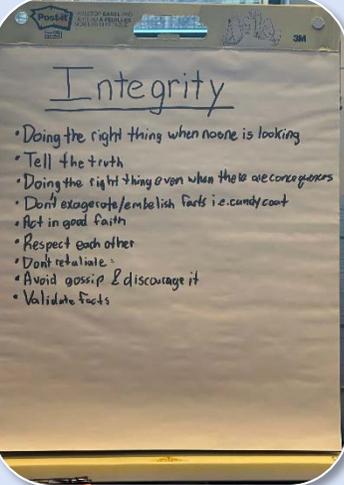
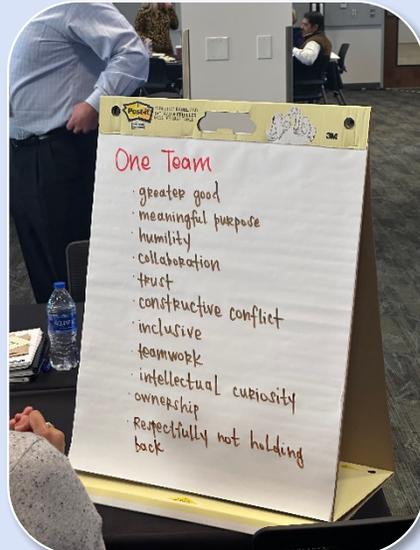


VALUES & RITUALS



PERFORMANCE

# Project Overview: CPS Energy Collaborative Visioning Session

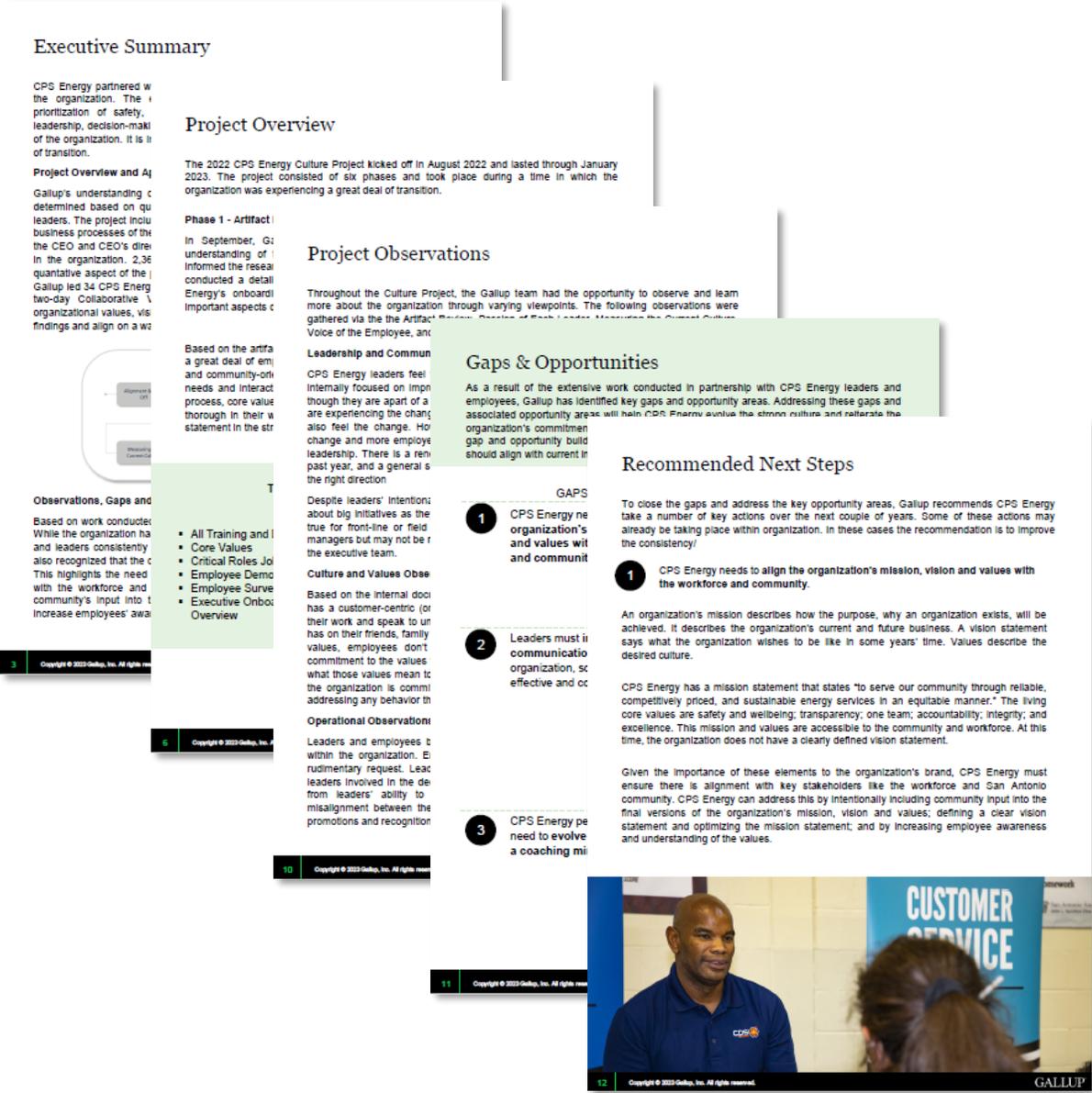


# Project Overview

## DELIVERABLE

Final Report includes:

- Executive Summary (Pages 3-5)
- Overview of Work Conducted (Pages 6-9)
- Observations, Gaps and Opportunities (Pages 10-11)
- Recommendations on Next Steps (Pages 12-19)



# Area of Focus: Culture & Values

## OBSERVATIONS

- CPS Energy has a customer- and community-centric culture.
- Employees have a lot of pride in their work and know the importance of their work and the impact it has on the city.
- Employees' perceptions vary when it comes to feeling like their coworkers and leaders show a commitment to company values through their behavior.
- Employees interpret the values differently — and it influences how they serve the mission of the organization.
- CPS Energy excels at emphasizing the importance of physical safety.
- Employees are the most empowered when it comes to enforcing safety protocols.

## GAP

CPS Energy can better align the organization's mission, vision and values with the workforce and community.

## OPPORTUNITY AREAS

Define a clear vision statement and optimize the mission statement.

Incorporate more community input into the organization's mission, vision and values.

Increase employee awareness and understanding of the values.

## RECOMMENDED ACTIONS

- Conduct a pulse survey with employees to get alignment on the vision/mission statements.
- Host a Collaborative Visioning Session follow-up session where leaders continue to refine the vision statement.

- Conduct qualitative research with the community to comprehend their understanding of CPS Energy.
- Leverage customer service encounters to gather customer feedback.
- Host a community day/public work session to showcase the mission, vision and values.

- Create button/stickers/badges of company values for managers to give to employees who demonstrate the values.
- Continue to place mission, vision and values (MVV) signage throughout the organization.
- Encourage managers to have team value discussions where they discuss the meaning and impact of values.

# Area of Focus: Leadership & Communication

## OBSERVATIONS

- There is a sense of renewal and a focus on improving employee morale among leaders.
- Employees recognize the change taking place and are more enthusiastic about the future.
- There is a renewed sense of hope and pride in what has been accomplished in the last year.
- General sentiment changes will help lead CPS Energy in the right direction.
- Not all employees are feeling fully informed about big initiatives, but they do feel informed about daily work and safety precautions.
- Employees have regular contact with direct managers and not as much contact with leaders as they would prefer.



## GAP

Leaders can continue to improve communication within the organization, so it is more effective and consistent.

## OPPORTUNITY AREAS

Train leaders to be good storytellers and collect stories to reinforce desired behaviors.

Look for more opportunities to extend the reach of communications from leadership to the front line.

Continue to focus on making collateral brief and smart, and ensuring it reaches the intended audience, particularly field employees and the younger generation.

## RECOMMENDED ACTIONS

- Conduct storytelling workshops to help leaders improve their communication skills.
- Continue to highlight employees living out the values on the company intranet and social media channels.
- Share stories during townhalls of employees who demonstrated the values and mission.
- Review internal communications to better gauge which channels are more engaging for employees.
- Have leaders conduct regular skip-level meetings with employees to share key information and answer questions.
- Set expectations about what directors and supervisors should be communicating to their teams.
- Create a communications panel.
- Roll out communications via new channels.
- Include employees in messaging.

# Area of Focus: Operations

## OBSERVATIONS

- Leaders and employees recognize the importance of changing how decisions are made within the organization.
- Employees expressed some frustration with the long process to get approval for basic requests.
- CPS Energy leaders understand the current decision-making process could be more efficient.
- The time leaders spend on the lengthy decision-making process takes away from their ability to focus on more strategic objectives.
- Employees feel there is some misalignment between the behaviors they are told are expected and the distribution of promotions and recognition.



## GAP

CPS Energy can continue to invest in helping people leaders develop a coaching mindset.

## OPPORTUNITY AREAS

Create an environment that encourages action with accountability.

Optimize the performance management system to align with desired outcomes.

Empower employees in the decision-making process.

## RECOMMENDED ACTIONS

- Create a values recognition program to measure and reward success while also promoting the right behaviors.
- Emphasize the importance of managers meeting with their teams to discuss expectations and obstacles to success.
- Upskill managers on how to have better performance management conversations with direct reports.
- Audit the current performance process to ensure it is equitable and consistent.
- Evaluate performance management measures for subjectivity and add objective measures where needed.
- Launch Boss to Coach cohorts to upskill people leaders.
- Delegate decision making and provide employees with constructive coaching.
- Launch 360 evaluations with directors and above to create a feedback-rich culture.
- Finalize the approval process and communicate the “why” and “how” behind the process to employees.

# Questions

Thank You

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