

Engagement Report 2022

Annex to the Annual Review

Executive summary

Engagement matters. It can make the difference between a great organisation and one that is simply delivering what it needs to. At the European Patent Office, we have set our sights on nothing short of excellence – a goal that cannot be achieved without sustainable staff engagement.

Under SP2023, engagement has taken on even greater importance. We need our people to be rationally, emotionally and behaviourally involved in the organisation – the very essence of engagement. These are the attributes that have helped us to overcome the challenges of the pandemic, while at the same time delivering on the ambitious goals of SP2023 – we have created a more engaged and empowered organisation, delivered a digital transformation, provided our users with the highest quality products and services, set up a global network with impact and, ultimately, delivered a more sustainable organisation. The importance of engagement has rarely been greater.

As SP2023 nears completion, it is not enough to assume that weathering the pandemic successfully and delivering on our strategic goals means that engagement is high. The very nature of our work makes ours an organisation that is dedicated to examining facts and making assessments based on data. We must continually use evidence to check that we are headed in the right direction, and look for improvements that can drive the Office forward. As a leading public service organisation, we must do so in a transparent manner.

That is why we have committed to exploring staff engagement levels through a series of in-depth surveys. The targeted results of these surveys provide us with the detailed insight we need to make a fact-based check and pursue any necessary improvements. The last staff engagement survey, *"Together, stronger"* was launched in June 2022. It followed surveys in 2019 and 2020 and aimed to obtain a clear picture of where we stand, individually and collectively, at both team level and as an organisation.

The survey revealed improvements in 10 out of the 13 categories, for example in areas such as empowerment, diversity and inclusion (D&I), and in creating a more agile culture. The survey also confirmed how much staff appreciate their line managers' efforts to manage their remote and hybrid teams in a time of great change. It also highlighted increased flexibility, empowerment, and caring for each other's wellbeing as well as improvement in the overall culture of inclusion and collaboration – key factors as we seek to strengthen our sense of togetherness and build a true one-Office culture.

For an organisation such as ours that is focused on continuous improvement, the true value of the engagement survey is how it can highlight areas where there is room for improvement. The survey showed that it is the ability of colleagues to cope with challenges and maintain energy levels, and to continue to feel connected with other colleagues that requires attention – trends that are wholly in line with what is happening elsewhere.

In 2022 we began to translate these findings into concrete actions, with the development of three office-wide focus areas to:

- enhance our focus, by simplifying processes and improving task prioritisation;
- stay connected by enhancing the sense of belonging;
- ensure colleagues are supported by equipping managers with what they need to lead their teams through times of change.

We have taken steps to make these actions a success – assigning clear responsibilities, introducing new support measures for managers, making results more transparent and using an enhanced scorecard to track our progress.

Looking forward, we can be confident that we will approach the next strategic plan better equipped to improve sustainability levels further, and to ensure that our people are empowered and energised to deliver their very best.

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1. Introduction

The success of the European Patent Office (EPO) is driven by its people, and the Office's ability to meet its strategic goals is built on their commitment and engagement. Engagement in a work context can be defined as the rational, emotional, and behavioural involvement in the organisation. It is an outcome measure that depends on a delicate interplay between various organisational and personal factors. For engagement to be sustainable, it needs to be connected to a compelling purpose as well as a sense of pride and accomplishment at work. Supported by teams and efficient tools and processes, staff should feel empowered and enabled to do their job, while being able to maintain energy levels individually. The most common way to monitor engagement, and the components affecting it, is by collecting direct feedback from staff via dedicated surveys.

1.1 Together, stronger staff engagement survey 2022

The staff engagement survey 2022 "Together, stronger" was conducted as a follow-up to the 2019 and 2020 surveys to obtain a clear picture of where the organisation stands, individually and collectively, at team level and as an organisation, after what has been a period of internal and global challenges and rapid changes.

The survey took place from 8 June to 24 June. A total of 5 043 staff participated, meaning a high response rate of 82%. An equally strong response rate was achieved across all organisational areas: (DG 0: 87%, DG 1: 81%; DG 4: 87%; DG 5: 77%; BoA: 75%) and across all employee groups. This provides a solid base for analysis and conclusions.

1.2 Survey methodology

We continued our partnership with Willis Towers Watson in conducting the survey. To capture a wide range of organisational aspects in line with strategic goals, it included 13 categories covering important cultural attributes affecting engagement (ranging from management and communication to service orientation, external reputation to wellbeing and D&I). The survey consisted of 55 questions in total, divided into three types of questions: general opinions, open comments, and demographic questions. 45 questions were comparable to the 2019 Engagement and six to the 2020 New Normal survey. In addition, four new questions relating to New Ways of Working were added. To keep the survey actionable and relevant in the new situation, some questions were slightly adapted from the 2019 survey, and a few questions, less relevant at the time of the survey, were deleted. Altogether, nine open text fields brought rich input with more than 15 000 comments being collected.

1.3 Context of the 2022 engagement survey

The impact of the global context and the COVID-19 pandemic on employee sentiment and engagement cannot be overstated. The survey results are naturally compared to 2019, when the last staff engagement survey was conducted; however, since this pre-COVID era, a significant shift in the global

context has taken place, which has had a profound impact on employee attitudes towards work, leadership, and organisational culture. During the first wave of the pandemic, employee opinions (including engagement) initially showed improvement, with organisations focusing on their core purpose and employees more mobilised to collaborate, showing a strengthened sense of solidarity and mutual support. However, as the pandemic continued, a decline in engagement and retention was observed, with stress taking a toll on employees' overall well-being. The so called "Great Reflection" (Gartner) had begun, with people re-evaluating their values at work and life in general, leading to questioning of rewards and growth opportunities, peaking with the "Great Resignation". Organisations were also struggling to compete globally in view of the economic consequences of the pandemic and the war in Ukraine.

Figure 1 – Global context: employee opinion global trends 2019-2022



Source: Willis Towers Watson 2022 report

This context should be considered when comparing the results with 2019 and 2020, as employee opinions are sensitive to the wider factors within and outside an organisation. Employee survey scores globally were declining during the period of the survey, in contrast to an initial positive upswing during the pandemic.

2. Key findings of "Together, stronger" engagement survey

2.1 EPO in positive trajectory compared to external trends

Against this backdrop, the EPO results compare favourably to global trends. While survey scores globally were on a downward trajectory during the time of the survey, EPO results were improving in most categories. The EPO is closing the historic gap to external benchmarks (2021 data). Scores are significantly above benchmark on flexibility and line management questions, including the essential element of caring for well-being. Compared to International Organisations norms the gaps were less significant, and the EPO compares

favourably in areas such as reputation, inclusion, line management, and effectiveness.

2.2 Improvements across most survey categories

In recent years, the Office has made significant efforts to respond to the pandemic and people's changing expectations of work by providing more flexibility and choice at work, increased focus on environmental sustainability, inclusion, wellbeing, and support to allow people to work effectively in a spirit of continuous improvement. The 2022 survey showed improvements in 10 out of 13 categories versus 2019 – demonstrating the impact of all the efforts made across the organisation in the past few years.

Figure 2 – Categories overview

	Total Favorable Score	EPO Overall 2019 (5 670)
Agile Culture	65	13*
Communication	32	10*
Empowerment	62	12*
External Reputation	66	16*
Inclusion and Diversity	64	13*
Line Management	72	8*
Management	27	7*
Remuneration	46	-11*
Service Focus	51	7*
Sustainable Engagement	59	-3*
Training & Talent Development	59	4*
Well-Being	68	-1*
Working Effectiveness	55	13*

Source: Willis Towers Watson 2022 report

These results and comments indicate that a cultural change is underway. The biggest improvements relate to external reputation, working effectiveness, D&I, agile culture, and empowerment.

On the question level, the Office's commitment to quality, culture of improvement, integrity in our dealings, and treating everyone with respect have improved the most since 2019.

Three years of strategic focus on D&I have resulted in a wide range of initiatives under the D&I programme ranging from reviewing possible regulatory changes (for example on parenting and partnerships) and awareness initiatives (e.g., 10 inclusive behaviours and respective training) to staff-led groups (such as the Rainbow Group, the Women Network, and the Special Needs Network). This has led to notable improvements on related aspects in the staff survey: 75% of respondents felt that they can be themselves at work (+6%). A two-digit improvement was recorded for previously low scoring questions. The percentage of staff who agree that the Office supports inclusion in the workplace increased by 15% (up to 62%), and there was also an 18% increase in people agreeing that

everyone is treated with respect (up to 56%), while 16% more staff report that it is safe to speak up at work.

Equally, it is positive that more than half of staff (55%) see the EPO as an environmentally responsible organisation, 15% more than in 2019. These changes reflect the increased attention given to environmental sustainability at the EPO, including the Office's commitment to achieve carbon neutrality by 2030. The EPO is taking many actions to reduce its environmental footprint, by making our buildings more sustainable and reducing consumption of resources such as paper, water, and energy, as well as looking at ICT sustainability. We have also increased staff awareness of environmental issues, aiming to support them to act sustainably and reduce their own environmental footprint.

The EPO's commitment to delivering high-quality products and services remains the foundation of our Office, which is reflected in the survey results on quality and continuous improvement. Compared to 2019, 25% more staff agree that the Office has a culture of continuous improvement. This is supported by perceived improvements at the team level; for example, 67% of staff feel that they are encouraged to come up with innovative solutions to work-related problems (up by 19%). More than half of staff agree that the internal processes are geared towards providing best service and this is up by 10% compared to 2019, while 60% report that their unit is constantly looking for better ways to serve our users (+6%). Advances in digital adoption have reached the teams, as an increasing number of staff agree that their unit is making good use of technology to make processes more efficient (68% versus 54% in 2019).

The digitalisation of our learning offer in recent years (for example the iLearn platform) and the numerous opportunities for internal mobility and peer-to-peer exchanges (e.g., Communities of Practice and Continuous Knowledge Transfer (CKT)) have made a positive impact on professional development. 62% of our staff agreed that they had sufficient opportunities to develop the skills needed to do their job effectively (up by 7%) and 68% state that they are actively looking for opportunities to develop their skills and knowledge. The latter has been visible in the high interest in and attendance at training sessions and new iLearn events. The Training & Talent development category has improved by 4% overall compared to 2019. There is also a 7% improvement both in alignment of individual development plans to the future needs of the Office (56%) and in seeing opportunities for personal development and growth.

An upward trend in the historically critically viewed categories of management and communication has been recorded, but there remains room for improvement to increase the connection between different organisational levels and to develop additional channels for formal and informal exchanges and for upward communication.

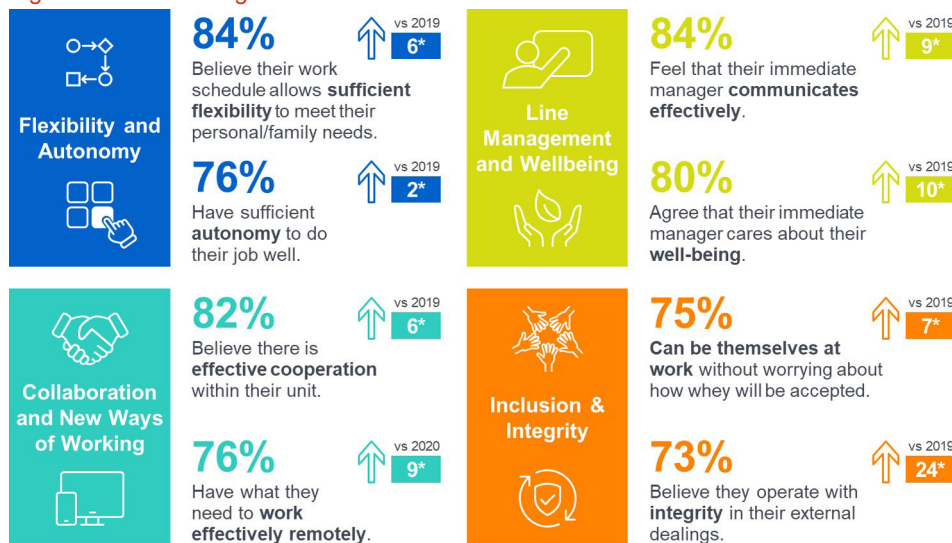
2.3 EPO strengths

The survey results show that the EPO's strengths in terms of engagement lay in four areas: (1) line management and wellbeing, (2) flexibility and autonomy, (3) collaboration – NWoW, and (4) inclusion and integrity.

As seen in the 2020 report, line managers played a vital role and continue to be a central part of EPO culture. EPO managers compare favourably to the external

benchmark, and they play an ever-increasing role in communication, caring for staff, and driving changes. The more frequent and close contact that has been established during the pandemic is still evident in the survey. Managers have become the first choice for information, followed by colleagues, and 84% of staff are of the opinion that their managers communicate effectively (+9%), while 80% feel that their manager cares for their wellbeing (+10%). The Office will continue to focus on supporting managers, for example via the newly created EPO Management Community, which has become a forum for exchanges that help managers to foster a positive work environment and sense of belonging, while caring and creating meaningful connections within their teams.

Figure 3 – EPO strengths



Source: Willis Towers Watson 2022 report

The survey results also indicate that the Office's response of implementing emergency teleworking guidelines to safeguard health had a positive impact on our staff. The flexibility to balance work and personal/family needs (84%, up by 6%) and autonomy remain among the most appreciated features of working at the EPO and continue to improve even further.

The sense of being equipped for remote working continues to score highly and is improving (76% compared to 66% in 2020), reflecting the support provided by the Office. We put in place digital workflows and tools to make remote working possible and provided IT equipment and ergonomic furniture to work effectively and comfortably from home.

Other strengths and improvements worth highlighting are the positive trends in collaboration and work effectiveness observed in 2022: 82% of staff evaluate the cooperation in their unit as effective (up by 6%), supported by open discussions of differing opinions (71%, up by 11%). With some room for improvement remaining, the cooperation between various parts of the organisation has also improved by 8% compared to 2019.

A personal sense of inclusion and professional integrity are amongst the highest scoring items in 2022. 75% of staff stated that they can be themselves at work without worrying how they will be accepted (up by 7%) and 73% agreed that we operate with integrity in our external dealings (with users, applicants, parties, suppliers, etc.) which is 24% more than in 2019. The strategic importance given

both to D&I and ethical behaviours at work led to the launch of the 10 inclusive behaviours, and to thorough consultation in preparing the handbook of workplace ethics, both of which were supported by extensive promotion and training.

The foundations of our staff engagement are stable and score highly: 70% of staff demonstrate their wish to go the extra mile and about two-thirds of staff agree that work gives them a sense of personal accomplishment and they are proud to work for the Office.

2.4 Areas for attention

Some global employee opinion trends mentioned above were also observed in the EPO. Scores on remuneration, workload, and levels of coping with work challenges and energy levels showed room for improvement. The competitiveness of remuneration in comparison to the external market was seen particularly negatively. According to the comments and considering the context of the survey, the change can be attributed both to the exceptional economic situation and inflation, at the time, when the outcomes of the salary adjustment for 2022 (leading to a significant increase in salaries) were not yet clearly visible to staff. The comments on changes having the biggest impact referred to the exceptionally challenging period (e.g., global pandemic, inflation), as well as the speed of adoption of recent tools and other changes introduced (reorganisations, education reform, etc.). The trend in staff engagement levels is in line with external trends and is affected by the drop in our people's ability to cope with challenges and decreasing energy levels. Specifically, 55% of staff reported being able to sustain their energy levels throughout the workday (down by 4% from 2019, and 2% from 2020). Yet it is notable that seven out of ten colleagues are willing to go the extra mile, despite the fluctuating energy levels.

Managing our capacity aligned with strategic priorities, support to our staff and attention to their development and wellbeing will remain our key focus going forward.

2.5 High preparedness for New Ways of Working (NWoW)

As the survey was run at the time when the transition measures of the NWoW entered into force, it has created a good baseline for the future, confirming a high interest in teleworking. Even when restrictions were lifted, 46.6% of staff continued to mostly work remotely; 7.2% mostly in the office, and 46.1% in hybrid working arrangements. The desire to work mostly remotely has increased since 2020. Also, 78% of staff are interested to work from another EPC country within given limits.

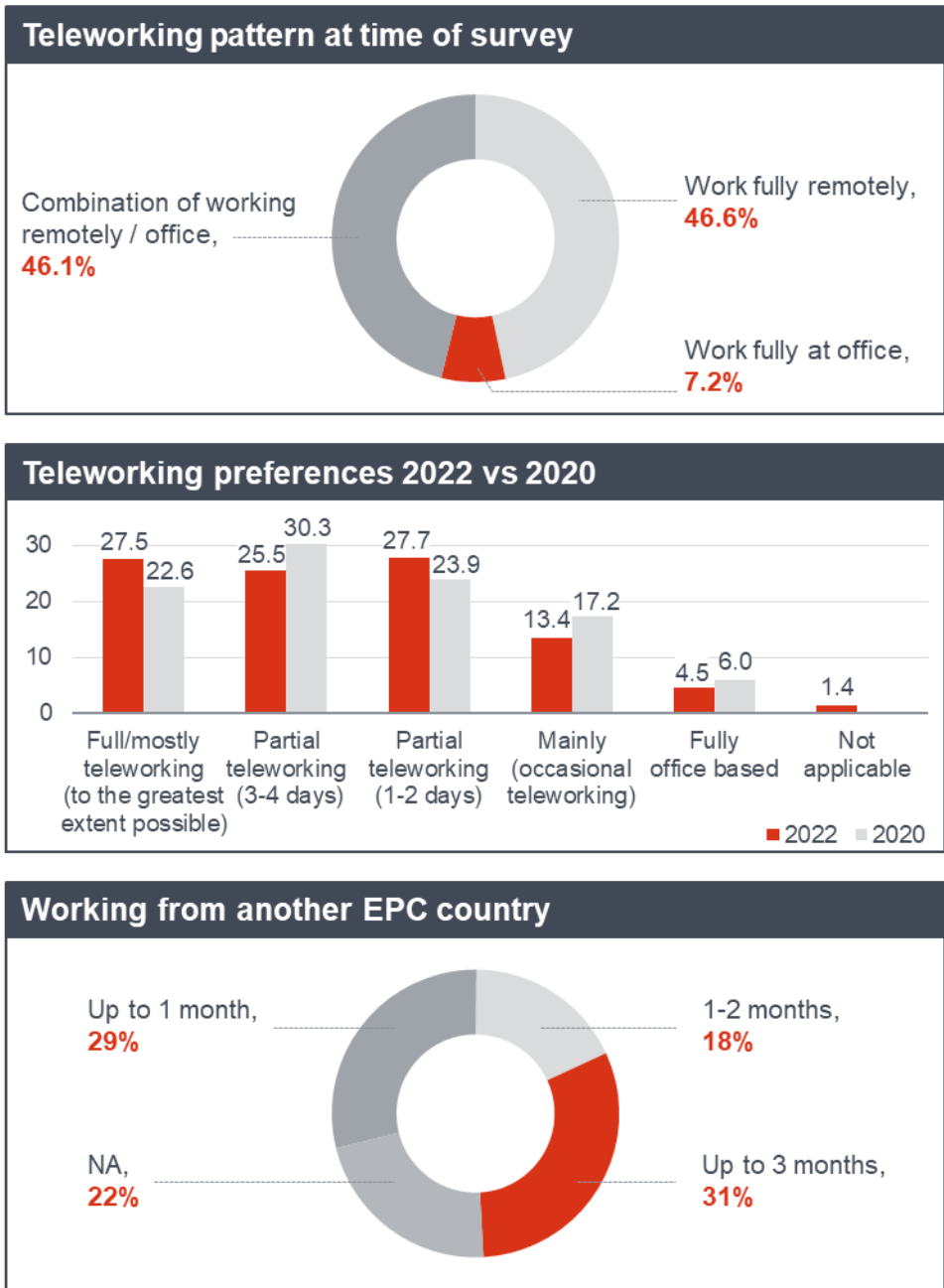
The survey confirmed that actions and decisions taken during the pandemic, for example to offer more flexibility, have borne fruit in many ways, with staff showing appreciation for flexibility to balance work and family needs (up 6% to 84%) and autonomy, and positive trends in being equipped and able to perform (2022: 76%; 2020: 66%; up by 10%). While staff felt more able to perform and collaborate remotely, the strength of social connection has decreased by 16% compared to 83% at the height of the pandemic in 2020. The challenge emerging from the survey results is moving the large group of fully remote workers to a hybrid model whilst retaining engagement levels, re-energising the office-based population,

and strengthening the sense of belonging. This is a key area of focus for the Office in the years to come.

However, there are reasons to be optimistic, as the survey results showed that teams were well prepared and equipped for the implementation of NWoW and about 80% managers are positive about the prospect of managing hybrid teams (up by 23% compared to 57% in 2020).

The survey thus provided a reliable baseline for the NWoW pilot and gave important insights for overcoming challenges and capitalising on the strengths.

Figure 4 – Working preferences



Source: Willis Towers Watson 2022 report

3. Follow-up

3.1 The process

Learning from previous experiences and aiming to improve the effectiveness of translating insights into actions, the Office has taken a novel approach to the survey follow-up process. The key changes to the process included:

- **Three Office-wide focus areas.** Senior management translated the survey results and recommendations into three priority areas which will ensure alignment of efforts across the Office.
- **Clear management responsibility reflected in their objectives.** Survey follow-up and implementing the measures linked to the Office-wide priorities were reflected in the yearly goals of managers.
- **Supported managers via new Management Community.** The Office made use of the newly established Management Community as a channel for supporting managers in the survey process. A network of around 500 managers became a valuable resource for accessing expert advice and user guides and encouraging peer-to-peer support and learning from good practices.
- **Empowered teams by direct access to their results.** For the first time, staff members were granted direct access to their unit results. The aim was to ensure transparency and endorsement of team-level contributions and foster ownership for actions within their sphere of control. This enabled teams to translate the Office-wide priorities to their local situation and take accountability on matters they can influence.
- **Increased transparency by extending balanced scorecard survey-related indicators.** We aimed to ensure a more comprehensive assessment of the progress and to facilitate both transparency and evidence-based decision-making. For the first time, the results of 13 survey categories (beyond engagement, development and collaboration) were made available down to Principal Directorate level.

Overall, these changes aimed to create a more transparent and inclusive follow-up process, to empower teams to take ownership of the process, and to foster a culture of continuous improvement and learning from good practices. The figure below illustrates the steps in the process from July to December 2022.

Figure 5 – 2022 survey follow-up process



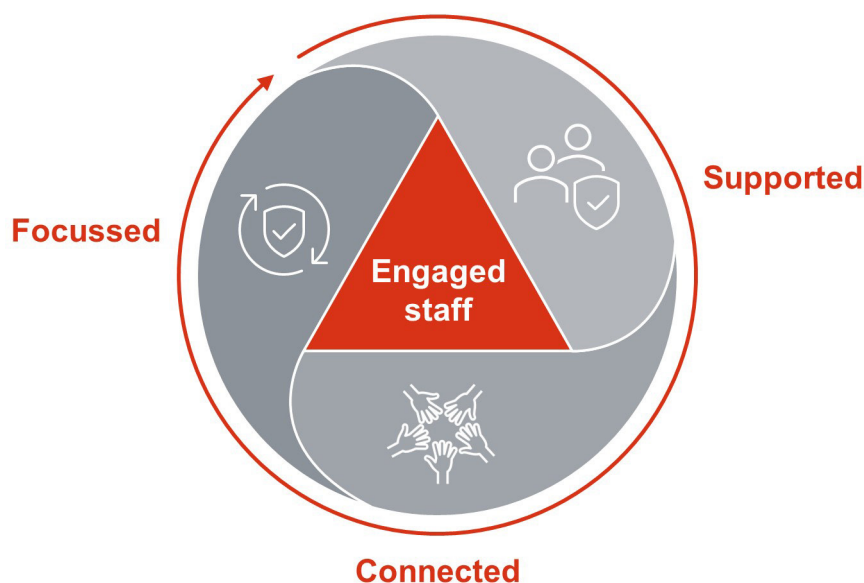
Source: EPO

3.2 Office-wide priority areas

In terms of following up on the results of the staff engagement survey, the Office decided to concentrate on a few high-impact follow-up priorities, rather than too many initiatives. Senior management decided to concentrate efforts on three priority areas, which in turn will have a positive impact on enhancing the engagement levels:

- **Focused.** Continue to simplify our processes and to improve the prioritisation of tasks. The aim is to help everyone manage challenges and workload and sustain their energy levels.
- **Connected.** Enhance the sense of belonging to strengthen connection, purpose, and engagement.
- **Supported.** Ensure managers are properly equipped to lead their staff through times of change, building confidence and putting a focus on effective communication through all levels of management in both directions.

Figure 6 – Office-wide priority areas



Source: EPO

3.3 Office-wide measures

Following the discussions and considering contributions and action planning at various levels, senior management decided on Office-wide measures:

- **Focused.** Prioritisation and simplification have become a guiding principle integrated into objective setting for 2023, and business areas have been tasked to provide a visible priority planning (e.g., BIT pipeline, HR calendar). All areas have been asked to mobilise and manage their capacity in line with key strategic priorities.
- **Connected.** To enhance the sense of belonging to strengthen connection and engagement through purpose, the planning of campus days and celebrations around the 50th anniversary of the European Patent Convention in 2023 will be used to the maximum. Furthermore, personal connection with

colleagues will be enhanced with the implementation of NWoW measures, including minimum office presence for all staff, an improved hybrid working experience thanks to dedicated training and toolkits, and the "bringing teams together" project to create a more vibrant working environment in the context of hybrid working.

- **Supported.** In building a strong supportive and supported network of managers, effective communication through all levels of management in both directions is being prioritised. Small group meetings allowing direct contact with senior management and the President will continue to take place across all DGs. Several initiatives will be launched to engage the community of managers around specific topics (management challenges) and bring them in greater connection with senior management on strategic discussions.

4. Outlook

The success of the EPO is driven by its people, with engagement and commitment being key to delivering quality services to our users. Many of the achievements in recent years have been possible because of EPO staff. While we continue to operate in uncertain and unpredictable times, we need to adjust both how we foster engagement and how we measure it. We are exploring more effective and impactful ways of combining staff insights with other people analytics, enabling faster and more productive responses. A move towards more modern ways of capturing employee experience in more frequent and actionable means is in preparation. Sustaining engagement and creating conditions for people to thrive remains a key strategic goal, as an underlying enabler of a sustainable organisation.