

	<b>PAPER NO: HR.06(12)</b>
<b>Committee:</b>	<b>Human Resources Committee</b>
<b>Date:</b>	<b>31 January 2012</b>
<b>Subject:</b>	<b>HR Implications of the Corporate Plan 2011 - 2014</b>
<b>Author:</b>	<b>Katie Boyce, Director of HR</b>
<b>Executive sponsor:</b>	<b>Martin Earwicker, Vice Chancellor</b>
<b>Recommendation by the Executive:</b>	<b>To note potential actions at this stage</b>

### **Executive summary**

The Committee is asked to note the implications of the Corporate Plan at this stage, at a macro level, for HR issues and activity.

Major projects and reorganisations resulting from the plan will be brought to the Committee and/or the Board for information or approval as appropriate during the life time of this plan.

	<b>Board/Committee</b>	<b>Date</b>
Matter previously considered by:	Human Resources	25 October 2011
Further approval required?	n/a	n/a

Communications – who should be made aware of the decision?	
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This paper identifies at a macro level the key HR implications of the corporate plan.

## **1. Overall Organisational Implications**

**a)** The plan places an emphasis on concentrating on our core business. This will lead to ongoing and continued restructuring of staffing structures as various aspects of the business change to reflect this objective. In some areas this will mean a reduction of posts and in others a growth in posts. The overall number of posts and the balance between reduction and growth will be further affected by changes in the academic subject portfolio and moves towards more flexible and different modes of study, e.g. two year degrees and a greater emphasis on blended learning.

**b)** Staff development support will remain a key feature of HR activity, geared (as it is) to supporting all staff to deliver their individual work plans linked, in turn, to delivery of the Corporate Plan. Staff development is also essential to enable the workforce to deal with the constant change needed for the institution to survive in the increasingly competitive environment in which we operate. A key aspect of development during the life time of this plan will be to up skill staff in order to engage in enterprise activity.

**c)** Overall staff numbers and costs will continue to be tightly managed to ensure that we remain financially sustainable. Staff costs have fallen, measured by expenditure as a percentage of total income from just under 60% in 2006/2007 to 53% in 2010/2011. We will continue to manage pay awards with a view to balancing affordability with the need to remain an attractive employer able to recruit and retain the staff we need to deliver our plan. Rates of pay will also be benchmarked against external equivalents and we will move to a policy where our total reward package is in line with packages for similar roles in the wider employment market.

**d)** Understanding how staff feel about developments in policy and change is essential to building a common understanding of priorities and the culture for delivery. We have just completed an employee engagement survey during 2011 and will be introducing regular, small scale, “pulse” surveys as a means to effecting a more immediate and focussed system of measuring staff satisfaction so that we can continually understand where to place the University’s resources to best effect.

**e)** The level and pace of change and the corresponding impact on all staff will necessitate the continued close working and regular communication with the recognised

trade unions, locally, in order to ensure that regulatory and statutory legal requirements are closely followed. As an employer we are also committed to partnership working with the unions. To this end we had a joint and successful workshop on change management in 2011 and a further themed workshop is being planned for early this year.

**f)** We are exploring different ways of employing staff on a commercial basis for aspects of the business where income generation and flexibility are an immediate priority. Our first vehicle for this is SBUEL and a project team is working on the viability of setting up further subsidiary companies, over time, to support different aspects of our objective to become 'London's enterprising University'.

Subsidiary companies enable relatively rapid implementation of different work practices, rates of pay, and removal of the significant financial obligations associated with the three pension schemes (USS, TPS and LPFA) of which the University is a member.

**g)** We are also looking at the viability of outsourcing aspects of the business where such arrangements offer better value for money than in-house services.

**h)** There will be a need to strengthen line management within the institution and improve the competence of all managers in order to ensure they have the skills and leadership capacity to manage their teams to deliver the objectives of their part of the business. For managers in academic areas in particular this will be a major shift in emphasis in these roles and will involve the separation of purely academic management and line/general management responsibilities. This is likely to involve, in some cases, changes in post holders.

**i)** Given the strengthening of management capacity referred to above there will be a greater emphasis on the performance management of staff and business activity and financial and other elements of reward will be directly linked to business success. Also, in due course reward will be linked to the individual performance of all staff, similar to the arrangements currently in place for senior staff.

## **2. Academic Staff**

There will be changes to the way in which academic staff are expected to work during the lifetime of the plan as a result of:

- Shift to two year degrees

- Blended learning with fact-based learning being delivered remotely with less need for lectures as a means of imparting factual knowledge allowing more time to be devoted to tutorial, small group and other forms of personalised learning and support.
- Emphasis for some staff on, and engagement in, enterprise activity, in order to generate income and reduce reliance on government funding
- Hours of work may have to vary to reflect student demand
- The balance between substantive staff and part-time staff may need to shift, again as the result of student demand and changed modes of delivery.

### **3. Support Staff**

There will also be changes to the way in which support staff are expected to work as a result of:

- Continued changes to processes to increase efficiency resulting in changes to skills needed for delivery, together with reviews of overall staff numbers
- Possible TUPE transfers of some groups of staff into SBUEL (already planned for Enterprise staff) or other subsidiaries, or as a result of outsourcing.

### **4. Potential Risks and Mitigation**

The risks associated with the HR action required for delivery of the Corporate Plan remain resistance from some areas of the workforce to change, and the possibility of disputes with the trade unions to those changes. The principle aspects of change which pose risks include:

- Pace of change which slows institutional progress
- Restructuring involving redundancy
- Changes to contracts and working practices
- Changes to pensions
- Employment of new staff and TUPE transfers of existing staff to subsidiary companies, or associated with outsourcing.
- Changes to pay linked to performance

Risks will need to be mitigated by continuing to ensure that all staff have an understanding of the need for change to ensure sustainability, are provided with development support to equip them for change, strengthening of managerial and leadership capacity and continued working with unions to ensure agreed local processes and statutory requirements are complied with.

## **5. Next Steps**

The Committee is asked, at this stage, to note the range of activity associated with the plan.

Major projects and reorganisations resulting from the plan will be brought to the Committee and/or the Board for information or approval as appropriate as the plan is rolled out.