

A CLEAR FUTURE: HUMAN RESOURCE STRATEGY

The External Environment

1. There are a significant number of external factors in the economy and labour market that provide context. The major factors are:
 - 1.1. Like many other employers in the north east and also in our sector, we are a major employer of graduates. 60% of graduates will be female. Many will have both child minding and elderly parent care responsibilities.
 - 1.2. Demographics – the fall in the school leaver population post 2010 will work its way into the graduate labour market from 2014 onwards, resulting in a supply reduction of c 5%.
 - 1.3. Competition – the graduate and skilled labour market will become even more competitive as the combined impact of graduate supply, continuing 'full' employment in the relevant areas of the economy and international competition for 'in-demand' knowledge and skills takes effect.
 - 1.4. Resources – in the absence of a resolution to the 'top up fee' differences between England and Scotland specifically, we are likely to suffer in relative terms as a small number of key staff are increasingly attracted south by the quality of facilities and packages offered.
 - 1.5. Employee behaviour is changing rapidly and increasingly employees in the 'knowledge economy' are sufficiently in demand to be able to select who they will work for. Increasingly non-pay factors are influencing that choice.

Objective

"To be able to deliver for RGU the objectives of A Clear Future through a people strategy that will position RGU as an employer of choice".

2. To achieve this, all recent research suggests we must be able to offer all or most of:
 - Effective leadership and management
 - Interesting and challenging work
 - Opportunities for personal development and growth
 - Opportunities for personal career progression
 - Fair reward

3. **Priorities (all are key components and are therefore not in any particular order of priority)**

Strategic Priority: To ensure we have an appropriate workforce that is financially sustainable so that, overall, our employment costs remain within 59-61% of total income unless agreed people plans or other strategic imperatives require otherwise. Also to ensure we deliver a financial surplus of 2% per annum so as to ensure sufficient funds for future investment and contingency. We will therefore work with managers to ensure that, through appropriate workforce planning and pay system management, they are able to operate successfully within approved budget levels, moving resources to

those areas of greatest need without destabilising other parts of the organisation.

Pay and Benefits: if we are to remain within the agreed pay cost envelope and operate in a highly competitive labour market, we cannot expect to pay in the top decile or quartile for all levels of job. Having set our new pay policy framework and pay ranges recently, the emphasis must be to use every £ we spend on pay and other reward effectively. Maintaining our final salary pension scheme means that the cost envelope cannot be increased without other implications. The focus must therefore be on developing a package of cost-neutral non-pay or 'voluntary' benefits that are relevant to our workforce. In order to incentivise our key staff in those areas of strategic priority that will give optimum educational and financial advantage, we will consider, adopt and implement appropriate systems of CRP/PRP.

Workforce Planning: in order that our workforce is both affordable and responsive to rapidly changing demands we will continue to develop a flexible and responsive workforce model. There is a real consensus that as the sources of our non-SFC income become more diverse and variable, especially from corporate programmes, overseas students and consultancy, we will increasingly need the flexibility of a more varied workforce, requiring a 'core' and 'variable' model of employee engagement. The 'variable' element will need to ensure that we are able to bring flexible but still 'industry current' resources into our teaching and learning, especially into corporate programmes and consultancy, on both an employed and non-employed basis. It will also have to cope with more variable workloads and work types as our income sources diversify. We will therefore continue to work with managers to achieve agreed flexible, responsive but 'managed' and affordable workforce plans and variable contractual arrangements for all parts of the organisation.

Resourcing of Workforce Needs: in NE Scotland, we operate in one of the most competitive labour markets in the UK and from a position of geographic isolation. For mission critical jobs, we will need to strike an appropriate balance of external resourcing with internal promotion, retaining the best of those we have developed whilst importing new blood from time to time. In the future labour market conditions, retention and flexibility of 'the deal' will be critical to success. We will continue to develop an external resourcing strategy that is appropriately global in reach whilst also developing new ways for our people to develop and progress in order to enhance retention of key knowledge and skills. In particular, we will pilot a 'graduate trainee' entry route initially for a small number of appropriate academic subject disciplines, to test our ability to grow our own 'RGU ready' professional academics.

Supporting Organisation Change: the most effective form of change is that which is appropriate, necessary and timely, providing for the continuous incremental reshaping that is essential if we are to reflect the external and internal environments we operate in. From time to time, larger more substantial and potentially disruptive changes are needed. We will continue to seek out and apply good practice in this respect to complement the legal framework that may apply to any

situation. In particular, in managing change, we will seek to ensure that all our staff are treated with respect and dignity and are fully informed and supported when faced with personal choices and decisions.

Strategic Priority: To ensure that leadership and management practice aligns with the leadership behaviours matrix we have agreed, this being key to effective achievement of other strategic priorities. It sets the underpinning tone of an organisation and increasingly it is a significant factor influencing who knowledge workers will work for. We will therefore take forward our agreed leadership and management development strategy, focusing on the development of high performing teams in the organisational areas that are critical to future success. At the same time we will provide improvement support to individuals and teams that require focused support to fulfil particular needs and to enable them to achieve their objectives.

Strategic Priority: To ensure that individual and organisational effectiveness is optimised through implementing planned change processes which use behavioural understanding. These include leadership team development at all levels, programmes to encourage effective working through people, business interaction, multi-cultural understanding and alignment, and integrating constructively the multiple agendas of different groups as part of our organisational improvement strategy. Managing for improved performance and developing improved capability to address serious underperformance will be a high priority in order to ensure that we are using our staff resource as effectively as possible. Similarly programmes to improve the management of change and management of all forms of 'lost time' have been identified as important future issues for our managers.

RGU will continue its strategic investment in the training of its employees to develop a workforce that is truly orientated to our priorities. Employee development will therefore be aligned at two levels – Faculty/School/Department and Institutional. The current policy of devolved employee development planning through the OSCR process will continue with delivery according to demand. Additionally the setting of strategic staff development priorities, 'championed' by EG/Dean members, with planned and prioritised delivery routes through the organisation, will continue as the most effective way to target development and maximise resources.

Strategic Priority: To maintain occupational health and safety governance and management arrangements that ensure that RGU is legally compliant, has systems that are appropriate to our environment and arrangements that ensure the environment we provide is free from *unmanaged* risks to the health, safety and welfare of our students, staff, visitors and the public. We will therefore further develop the RGU health and safety governance arrangements and management culture, risk assessment methodology, auditing and reporting, and our employee wellbeing strategy, policies and practices, to ensure this is the case.

Strategic Priority: To maintain industrial and employee relations infrastructure and management arrangements that are appropriate to our environment and that ensure that our relations with our staff and campus trade unions are managed effectively, free of unnecessary disputes and grievances. By maintaining these relationships in an appropriate way we

ensure that our reputation as an employer of choice is enhanced and we enhance our ability to deliver other prime objectives. We will therefore continue to review and evolve the IR/ER infrastructure and communication, consultation and employee involvement arrangements appropriately, influencing and responding to the national strategy also, so as to maintain a 'partnership' approach so far as is practical.

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