

Sector impact assessment

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| Name of policy/initiative/project | Review of the performance management and reward systems |
| 1. What are the aims of this policy/initiative/project? | To undertake a comprehensive review of HEFCE's performance management, performance review and reward systems, and to develop options for changes to processes, to take effect from 2010-11. |
| 2. At what stage of the development process is this SIA being undertaken? | At the project design stage. The SIA will be updated at later stages in the project, following the initial research phase, and particularly as proposals to change processes are developed. |
| 3. Do existing data sources enable us to provide evidence of impact? If not, how should we best gather evidence? | We have some existing data related to performance management and reward (for example, performance review results by sex, mode of working, and pay band; results of an equal pay audit; information from the staff survey on satisfaction with our existing performance review system, pay and benefits broken down by sex, mode of working, and length of service; turnover data; exit interviews). We will continue to draw on this but also propose to supplement with qualitative data from focus groups, interviewees, and groups already working on high-performance culture, as well from interviews with other organisations. |
| Regulatory impact assessment | |
| 4. Will this policy/initiative/project require HEIs to pay for or carry out additional work in the context of what a well-managed HEI would already be expected to have in place, both now and when the policy has been implemented | No. This project impacts only internally. We believe the internal work required is proportionate to the importance of continually improving our performance management and reward systems. |
| 5. If so, do the benefits of doing this to the delivery of HEFCE strategy, the HE sector, the HEI itself and others outweigh what we have asked HEIs to do? If yes please describe the benefits | N/A |
| 6. How have you arrived at this judgement? Please refer to the results of consultation and other supporting evidence. | N/A |
| Equality and diversity | |
| 7. Which individuals or groups are likely to be affected by this policy/initiative/project? | The group most directly affected will be HEFCE staff. During the initial research phase we will invite colleagues to join three focus groups, or to contribute as individuals. Any proposals that emerge from this phase are likely to affect most or all staff. |

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| <p>8. What is the likely impact on these groups (is it positive, negative or neutral)? How have you arrived at this judgement?</p> | <p>During the research phase the impact on those colleagues involved is likely to be broadly positive, based on our experience of doing similar work elsewhere (such as the High Performance Culture project). This is because, in our assessment, people respond favourably to the opportunity to discuss broad issues relating to the work experience, especially if they know their views are being heard respectfully and taken seriously, and that their contributions are likely to help shape changes to the way we all work.</p> <p>At this stage we cannot assess the impact of any proposed changes on staff in general, as we do not yet know what will emerge from the research phase. However, the whole purpose of the project is to improve their experience of working at HEFCE, as well as contribute to increased organisational effectiveness. Any proposals will be subject to a further impact assessment.</p> |
| <p>9. If negative, what actions have been taken to mitigate the effect?</p> | <p>Not applicable at this stage.</p> |
| <p>10. Can this policy/initiative/project be used to ensure and promote both equality and diversity? If so, how?</p> | <p>The review is being designed to encompass the views and experience of all categories of staff, so we will seek participants in the focus groups and one-to-one interviews who might reflect the full range of HEFCE's diversity. The Project Initiation Document sets out that the way we conduct the review should signal the sort of culture we want to support: that is, open and enquiring, people-centred, consultative, inclusive, respectful and humane.</p> <p>A major theme of the project is a focus on HEFCE's culture. We will explore this from a number of angles, recognising that culture is complex, multi-layered, diverse and elusive. We will explore the negative as well as positive aspects of the culture, and the views and perspectives that might be excluded or marginalised in normal discourse. We therefore hope to make a positive contribution through this project to the promotion of equality and diversity.</p> |
| <p>Sustainable development</p> | |
| <p>11. What is the likely impact of this policy/ initiative/project on sustainable development? Is it positive, negative or neutral? How have you arrived at this judgement?</p> | <p>The issue here is HEFCE's sustainability as an effective and socially responsible employer, recruiting and retaining high quality and well motivated employees, and making the most of people's talents and potential, in the service of its own corporate objectives. These concerns are at the heart of this project, so the impact is likely to be positive (though this will have to be tested again once any specific proposals emerge).</p> <p>In setting up meetings for the focus groups we will aim to take into account people's work-life balance and the overall environmental impact.</p> |
| <p>12. If negative, what actions have been taken to mitigate the impact?</p> | <p>N/A</p> |
| <p>13. How can this policy/initiative/project be used to create opportunities to support sustainable development? Please indicate how you have exploited these opportunities or why you have been unable to do so.</p> | <p>See box 11.</p> |

Certification by Director

This is a fair assessment of the impact of this policy/initiative/project on the HE sector, taking into account the regulatory burden imposed. The policy/initiative/project has been appropriately designed to meet our equality obligations and promote equality and diversity and sustainable development. This assessment is ready for publication.

A handwritten signature in black ink, appearing to read "Steve Egan". The signature is fluid and cursive, with a large loop at the end of the last name.**Signed****Date 20 May 2009****Summary**

The impact of the initial research phase of the review is likely to be positive overall, because we are looking to involve a good number staff, reflecting HEFCE's diversity, in an inclusive and respectful manner. It is not yet possible to assess the potential impact of the review overall until we know what proposed changes to processes emerge. Any such changes will be subject to a further impact assessment.