

CONFIDENTIAL

4.6 Integrated Services - Benchmarking Performance: HR Function & Corporate Services

A) Introduction

In May 2010, six member institutions of the International Alliance of Research Universities (IARU) group, Australian National University, University of California, Berkeley, University of Cambridge, University of Copenhagen, ETH Zurich and National University of Singapore, attended a benchmarking workshop. The objective of the workshop was to agree a set of common measures that IARU members could use to measure the performance of their administrative support services and agree the approach to commencing this activity.

After further consultation, it was agreed that members of the group, as well as other IARU institutions who wished to be involved, would participate in a pilot exercise (i.e. the first attempt to carry out some benchmarking in specific administrative areas and to learn from the activity as well as from any findings). The University of Cambridge led a pilot exercise in 2011 to benchmark the HR and Finance functions of members of the IARU group. The aim of the exercise was to assist IARU members in the increasing need to measure the performance of their administrative support services by enabling them to compare themselves relative to other IARU members. In addition, it was to help to provide a picture of best practice models in research intensive universities. IARU members could then use the benchmarking data to highlight areas of opportunity to either improve or understand the performance of their administrative, transactional or support processes.

Five member institutions of the IARU group, Australian National University, University of Cambridge, University of Copenhagen, National University of Singapore and Yale University participated in the pilot of this project. One objective of the pilot was to establish an understanding of the characteristics of the different organisations and key functional areas. To enable this process, two questionnaires were developed which focused on the institutions as a whole and two key functional areas, HR and Finance. A second objective was to learn from the sequence of the initial pilot benchmarking with a view to improving any future benchmarking work. A third objective was to assist in determining whether we continue to carry out such exercises on an ongoing basis and what approach should be used to progress this over the coming months.

It is possible that this report may encourage other IARU universities to participate in this stage of the project to make the benchmarking process more meaningful. One or two IARU universities have already shown an interest in participating in the future but were unable to join in the first round due to time constraints; in particular, the University of Oxford has expressed an intention to participate should the pilot lead to future ongoing activity.

This report includes a summary of the findings from the pilot exercise which allows some limited conclusions to be drawn. Each institution will also receive their own personalised report in December 2011 (unless any additional institutions wish to be included at this stage in the pilot) which will show in detail how they compare with the other institutions and is likely to be more helpful in drawing conclusions.

B) Methodology

In the pilot, two self-completion questionnaires were sent via email to all members of the IARU. The design of the questionnaires was based on standard metrics used by UK universities and other public sector institutions to measure performance within both HR and Finance functions. The questionnaires were further developed in consultation with:

- HR and Finance personnel at the University of Cambridge as well as contributions from other divisions within the University i.e. Research Office and IT Specialists supporting HR Systems
- Other member institutions who have participated in various stages of the project to date.

The first questionnaire contained four sections: Organisation, The Human Resource Function (HR), IT Systems within HR and Research Activity. The second questionnaire was concerned with the Finance Function. A copy of the questionnaires is included in Appendix 1 and 2. The questionnaires contained both open and closed questions producing both qualitative and quantitative data. The data, both qualitative and quantitative, was manually inputted into MS Excel for comparison. Tables and charts were drawn up using Excel where data was available. Further enquiries were raised as appropriate with participating universities to ensure that valid comparisons were being made. The findings and conclusions which could be drawn will subsequently be covered in a personalised report to be sent to each participating university.

C) Challenges

There have been five main challenges in the pilot phase of this project:

- i) Numbers participating: only five universities participated and therefore findings are not statistically significant as representing the best practice in IARU universities. The findings are useful in signposting where a member university may have a possible performance issue but the questionnaire design and interpretation means direct conclusions cannot (and should not) be drawn.
- ii) Length of questionnaires: the pilot questionnaires were reasonably lengthy which may have led to institutions not taking part. Any future surveys may need to be developed with fewer key questions to encourage further participation of other institutions. However, one outcome of the questionnaires being that length has been that the project co-ordinators are now in a position to define what aspects of each function it is possible to benchmark (e.g. structural change). This knowledge can then be applied to develop more effective benchmarking tools in the future.
- iii) Completion of the full questionnaires: in some instances it was difficult for those participating to respond in full. This was due to several factors. In some cases the data requested was not available because systems were not in place to collect the relevant data. In other cases, due to the structure of the university e.g., those that had a more de-centralised structure, it was problematic to access the relevant data. This meant that for some areas of activity, only two or three universities could be benchmarked.

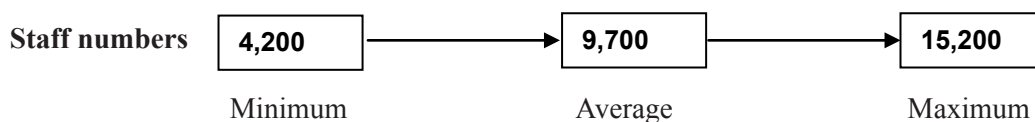
- iv) Confidentiality: some of the participating universities expressed concern about providing sensitive data, specifically financial data. The project co-ordinators attempted to reassure the participating universities that all data would be anonymised and participating universities need not provide any data that they were not comfortable about providing.
- v) Some questions were completed where there were obvious misinterpretations as to what information was being sought. In such circumstances findings have not been drawn from any in correctly completed questions (in some instances there was time to go back and seek clarification to the answer, but not always). The effect of this is that sample size was smaller than five. One main drawback of using a questionnaire as a benchmarking tool is that open-ended questions can be easily misinterpreted or misunderstood which can lead to responses that are not compatible. The inability to probe the answers to open-ended questions can also prove problematic and some participants may have skipped those questions as a result. The project co-ordinators attempted to alleviate this by sending out guidance notes to accompany the questionnaire. These notes are available in Appendix 3 and 4.

D) Summary of Results

The data in this summary report provided by the five member institutions who participated in this pilot is drawn from the most recent relevant twelve month period that applies to their university i.e. the 2009/2010 academic year or 2010 calendar year. Unless stated, all averages are mean averages. Where either median or mode averages are used this is to account for high standard deviation, or because one of the responses is so far removed from the others that it would distort the mean average. Where the initials D, C and M appear, these relate to the structure of the university and stand for Centralised, De-centralised and Mixed. Guidance notes are available in Appendix 3 and 4 to clarify some of the terminology used e.g. training activities, informal and formal, key performance indicators, creditors, debtors etc. In the Finance section, unless amounts were requested in US dollars (\$), all monies have been converted into UK sterling for easy comparison. The conversion is correct as of 16th August 2011.

1. Organisation

The five participating member institutions vary in size in terms of total staff numbers. Three of the member institutions have a staff size all within 1000 of the average below. The largest and the smallest of the universities have a predominately de-centralised structure, two of the remaining three universities are centralised, and the other has elements of both and does not identify its organisation more strongly with being either centralised or decentralised.



University Structure

	Organisational structure of University
Uni 1	De-centralised
Uni 2	De-centralised
Uni 3	Centralised
Uni 4	Centralised, decentralised & matrix-based
Uni 5	Centralised

‘De-centralised’ to be interpreted as distribution of control across a number of local authorities.

‘Centralised’ to be interpreted as under the control of a centralised authority.

There are a variety of initiatives and programmes that the participating member institutions are involved with in relation to the HR and Finance function. Common initiatives that the different institutions are involved in include:

- Integrating administrative/personnel systems – four out of the five member institutions reported this as a major initiative they are involved in.
- Developing an HR dashboard - A dashboard is a graphical display within software (or a browser interface) that compiles data such as key performance metrics and displays the data for a real-time view into what is happening in the workplace (see http://hr.toolbox.com/wiki/index.php/HR_dashboard). Three of the universities are working towards this.
- Improving IT systems e.g. introducing self service applications e.g. timesheets, benefits etc, e-recruitment, website improvements. Every member university included this as a major initiative.

All the participating universities measure Key Performance Indicators. Common key performance indicators are:

- Improving diversity – increasing participation of women at senior academic and management levels, increasing numbers of ethnic minority, international and disabled staff – three of the member institutions have key performance indicators around improving diversity.
- Improving retention – monitoring staff turnover rates, reducing number of unavoidable staff resignation – three of the universities reported this.

2. Research Activity

All of the participating universities receive most of their research awards from public funded agencies e.g. government.

The most research awards given in 2010 were to Clinical/Medical Science, followed by Physical Science or Technology. The least awards were given to Art and Design, Humanities and Administration. One university was unable to break down the research awards into disciplines. The average (median) number of applications for research funding processed by the universities in 2010 was 2,500. The median average has been used here because one institution reported a figure of 9,000, which was far more than the others.

The average percentage of the overall expenditure of the universities committed to the research administration function is 0.72%, although two universities do not have this data available.

3. The Human Resource Function (HR)

The average ratio of HR staff to overall staff headcount is 1:84 and the average (mode) percentage of the overall expenditure of the university committed to the HR function is 1%. The institutions that identify as predominately centralised have the largest (8.5%) and smallest (0.25%) percentage of HR expenditure (further information was provided to explain the latter percentage, the expenditure of the HR function at this institutions refers to the expenditure of the HR Office only and covers salary and other cost incurred on staff of the Office as well as cost of running the Office). One university is not able to provide information on the percentage of HR expenditure because the de-centralised expenditure is not distributed in a manner which allows for this to be identified.

Every university HR function is responsible for training and development and equality and diversity. In four universities, the HR function is also responsible for Health and Safety and Payroll. At three of the universities, the HR function is also responsible for Occupational Health.

The majority of HR staff occupy a role that undertakes transactional processing e.g. maternity leave, sickness absence. Universities with a centralised HR structure are more likely to have HR staff occupying an advice and support role than those with a de-centralised structure.

	Advice & Support	Admin & Jr Level Advice	Transactional Processing	Project Work
Uni 1 - D	Unknown	Unknown	7	Unknown
Uni 2 - D	12.6 FTE	32.1 FTE	68.5 FTE	19.0 FTE
Uni 3 - C	50.9 FTE	34.5 FTE		No specific person
Uni 4 - M	Unknown	10%	85%	5%
Uni 5 - C	19	16	36	6

	Training		Recruitment and Retention		Grading and Reward		Discipline		Grievance	
	H/ count	FTE	H/ count	FTE	H/count	FTE	H/Count	FTE	H/ count	FTE
Uni 1 -D	8		N/A	45	4	5	N/A	N/A	N/A	N/A
Uni 2 - D	7	6.72	9	8.1	2	1.1	N/A	N/A	N/A	N/A
Uni 3 - C	10	N/A	65#		N/A	N/A	7	0	4	0
Uni 4 - mix	7	5	N/A	N/A	N/A	N/A	4	2.5	1	0.1
Uni 5 - C8	41	N/A	11	9	3	3	14	12.39	14	12.39

This number is not fully dedicated to Recruitment and Retention

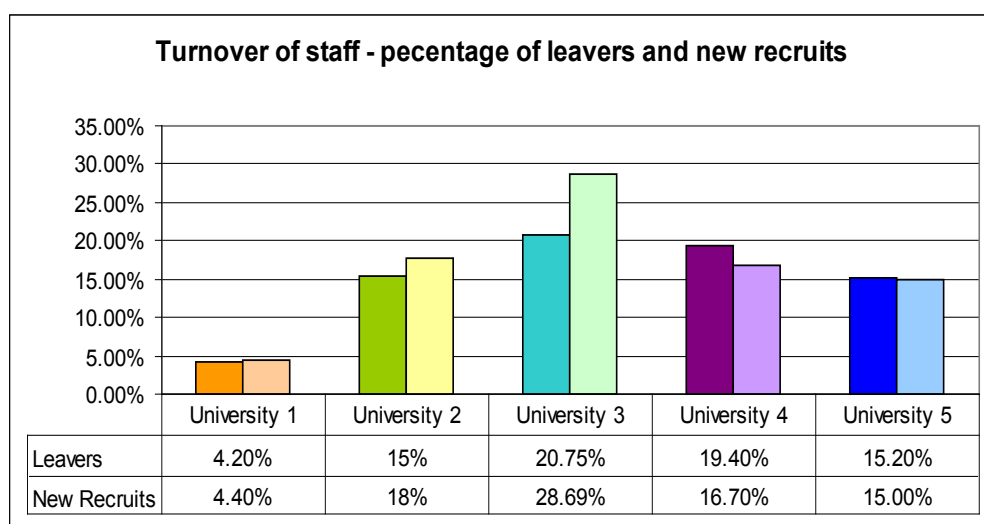
The average proportion of staff who participates in training activities is 48%. One institution was unable to provide the data. The institutions with the highest (84%) and lowest (7%) proportions identify as predominately de-centralised.

The mechanisms reported for identifying training and development needs are:

- The performance and development review process – 3 institutions use this method
- Workplace surveys – 2 universities reported using this as a tool for identifying training and development needs.

The average staff turnover is 14.9% (including fixed term contract researchers and other staff). Three out of the five universities have a higher number of new recruits than leavers and University 1 has a much lower staff turnover than any other university; Universities 1 and 2 are the largest and smallest universities in terms of staff numbers yet have similar numbers of new recruits and leavers.

The mechanisms for retaining staff in all the universities generally centre on career development opportunities and reasonable salary and benefits packages. Workplace assessments focusing on the psychological and physical working environments are carried out at one university and wellness programmes (e.g. fitness classes, fruit day, family day) at another. **One university uses merit pay and bonuses as a mechanism for retaining staff; this is University 1, who also has the lowest staff turnover.**



The average proportion of new roles graded is 1.75% and the average proportion of re-graded roles is 1.52%. More existing roles are re-graded than new roles graded in two of the three universities. Three out of the five participating universities are able to say how many new roles were graded and existing roles re-graded.

The number of staff involved in discipline and grievance cases and number of formal cases is not available in the universities with a de-centralised structure. This can be attributed to a combination of information only being able to be shared with HR staff and a de-centralised structure. More HR staff are assigned to discipline than grievance. Only one member institution was able to provide the average length of time to conclude a discipline case which is approximately one month for a formal case and one week for an informal.

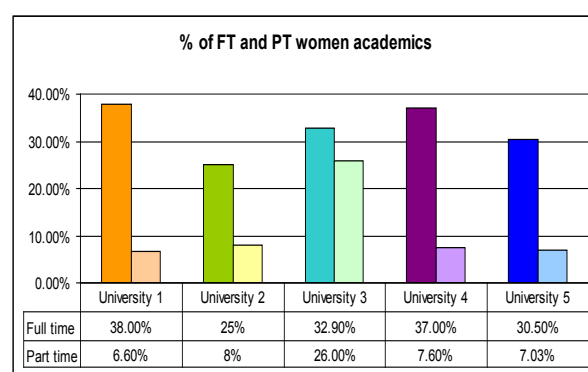
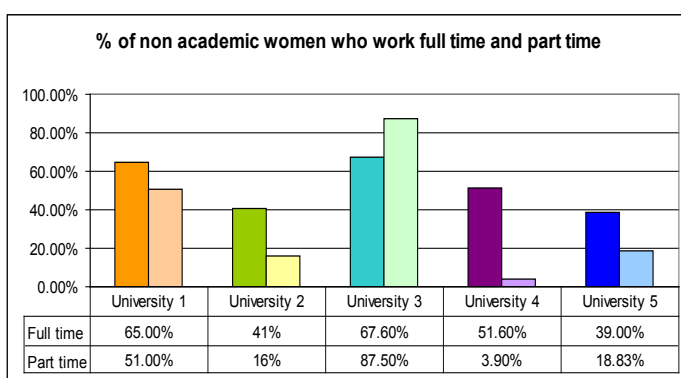
Every participating member institutions HR/Payroll systems support: sickness absence, maternity leave and recruitment. The full list is available in the table below. Four of the five participating universities have staff supporting HR Systems in a functional (as opposed to a technical) role part of the HR Function.

HR Systems and Reporting - the processes HR/Payroll systems support						
	Sickness absence	Maternity leave	Diversity statistics	Recruitment	Performance management	Professorial & non-academic promotions
Uni 1	Yes	Yes	Yes	Yes	Yes	Yes
Uni 2	Yes	Yes	Yes	Yes	Yes	Yes
Uni 3	Yes	Yes	Yes	Yes	Yes	Yes
Uni 4	Yes	Yes	No	Yes	No	No
Uni 5	Yes	Yes	Yes	Yes	Yes	Yes

4. Staff Demographics

Most academic staff in the participating member institutions are on a research-only contract. A teaching-only contract is the least common contract type. Two of the five universities do not categorise their academic staff by the categories research-only, teaching and research, and teaching-only. There is a mix of predominant staff contract types in the participating institutions; two of the five universities have most of their staff on permanent contracts, one on temporary contracts, one on fixed term and one could not say.

In every institution except one, there are significantly more full-time female academics than part-time. University 3 employs considerably more female part-time academics in comparison with the other institutions and employs proportionately more full-time non-academic women than any of the other institutions.



There are proportionately more disabled non academic staff than academic staff.

Three out of the five universities collect data on disability.

- Average percentage of **disabled academic staff** is - **1.52%**
- Average percentage of **disabled non-academic staff** - **2.3%**

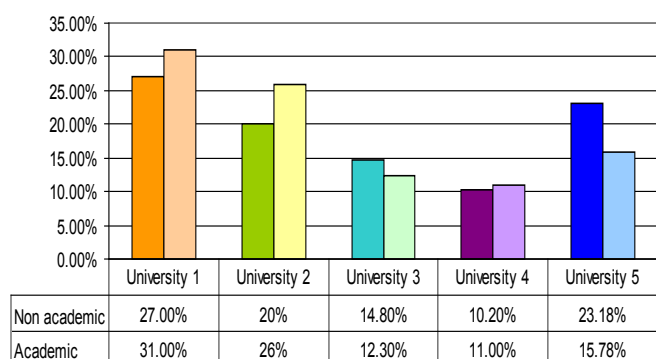
Non academic staff are on average, more likely to have been employed around 18 months longer than academic staff.

- Average length of service for **non academic staff** – **9.6 years**
- Average length of service for **academic staff** – **7.9 years**

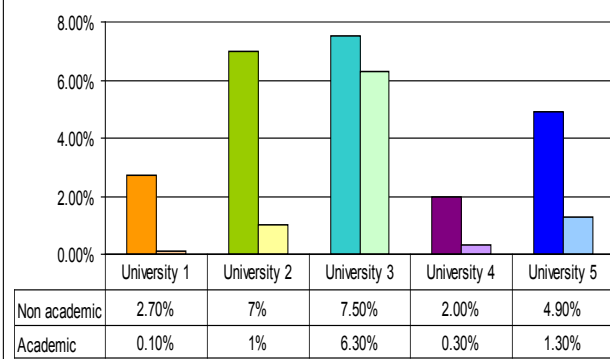
Average age for both academic and non-academic staff is similar.

- Average age for **non academic staff** – **43.7**
- Average age for **academic staff** – **43.9**

% of academic and non academic staff aged 55+



% of academic and non academic staff aged 25 and under



The average number of sickness absence days reported in either the 2010 calendar year or 2009/10 academic year for academic staff is 1.25 days per academic. The average number of sickness absence days reported in the same period for non-academic staff is 6.98 days per non-academic. The institution with the lowest number of sickness days per academic also had the lowest number of sickness absence per non-academic. The institution with the highest number sickness days per academic also had the highest number of sickness absence per non-academic.

One university has the same leave entitlement for all members of staff (academic, research and non-academic), the others either agree leave on an individual basis or have different entitlements for different members of staff. In the universities where this is the case, the non-academic staff have the least number of days in their annual leave entitlement.

- Average number of days for **academic leave entitlement – 25.3**
- Average number of days for **researcher leave entitlement – 26.5**
- Average number of days for **professional/ academic related – 24.6**
- Average number of days for **non-academic/assistant staff – 20.6**

Every participating university offers some form of flexible working. However the universities with a more decentralised structure do not capture centrally the number of requests made and agreed. Flexible working management largely takes place at the departmental level.

Four of the participating universities has a regular (every 2-3years) staff survey in place to monitor and assess staff satisfaction across the university and exit interviews are cited by every university as a mechanism in place to explore causes of dissatisfaction amongst staff. One university supports and facilitates diversity staff networks via its Equality & Diversity section. Currently there are networks for Women, Disabled, Lesbian Gay Bisexual & Transgender, and Black/Minority Ethnic staff.

The average (median) number of staff unions represented is 4. The median average has been used because one institution has 28 staff unions which is more than five times the number represented in the other universities represented. Every university has at least one staff union. There are various methods of communication between the universities and the unions but regular meetings are the main one. It appears from all of the universities that the staff unions contribute to the development of HR policy and practice.

5. HR IT Functions

The most popular system provider is Oracle.

Operations IT systems facilitate:

	Pay roll	Maternity/ Paternity	Absence management	Online appraisals	Online recruitments
University 1	Yes	Yes	Yes	No	Yes
University 2	Yes	Yes	Yes	Yes	Yes
University 3	Yes	Yes	Yes	Yes	No
University 4	Yes	Yes	Yes	No	Yes
University 5	Yes	Yes	Yes	No	No

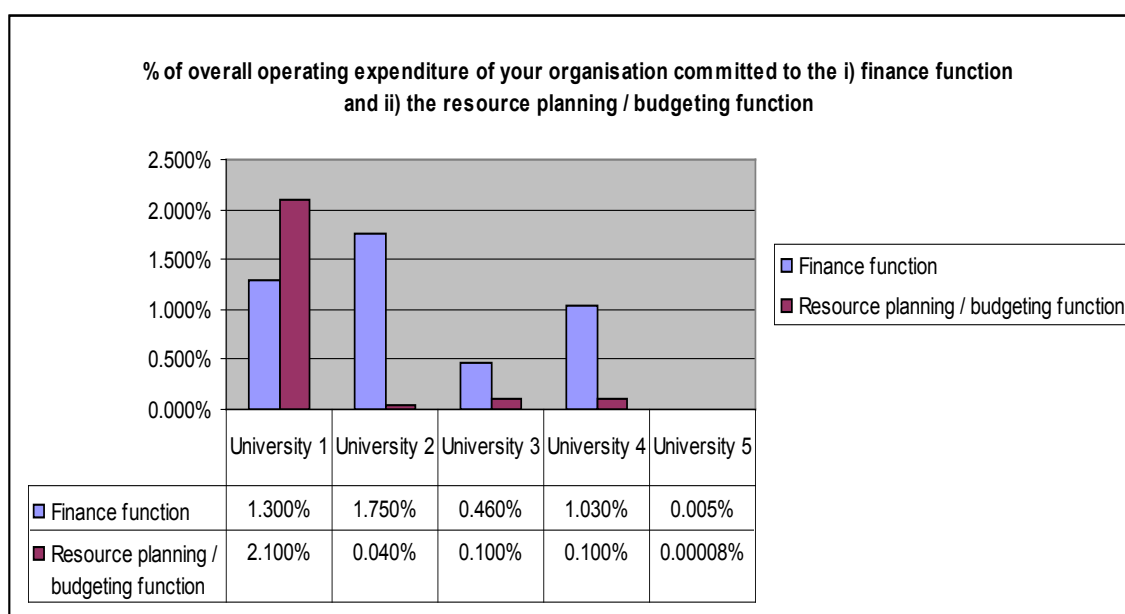
6. Finance Function

All five universities have a de-centralised finance function with four of the five universities having a separate unit or department undertaking the resource planning / budgeting function.

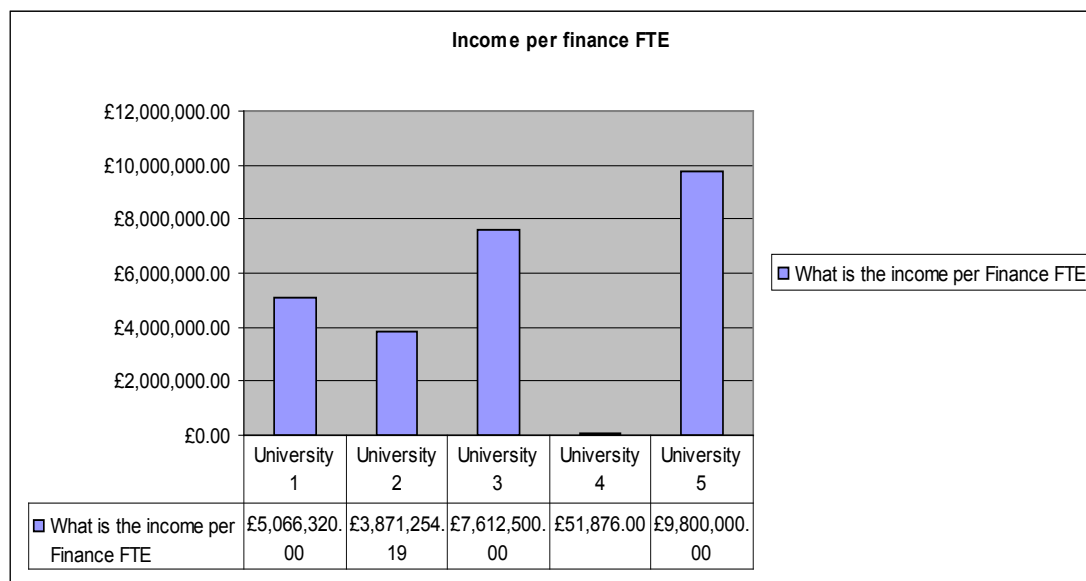
All five universities de-centralise a proportion of the finance function to separate business units contained within the university i.e. to specific departments / faculties. Such functions include internal budgeting (local level), management reporting, finance related processing and resourcing.

All five universities have a central unit in which common operating practices are established and executed, co-ordinating the different finance activities at a local level. Core operations include annual finance reporting, strategic financial planning and analysis, finance services, policy development, verification of accounts / creditor / debtor transactions.

7. Finance Function Costs

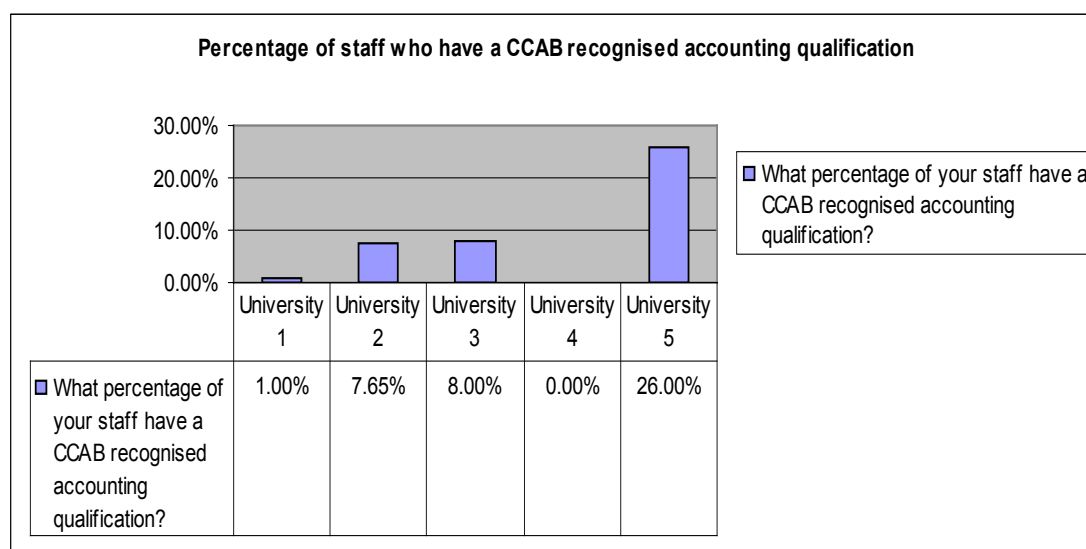


Within four of the five universities a larger proportion of operating expenditure is committed to the finance function compared to the resource planning / budgeting function.



Highest income per finance FTE	Lowest income per finance FTE	Mean income per finance FTE
£9,800,000.00	£51,876.00	£5,280,390.01

8. Finance Staff – Qualifications and Training

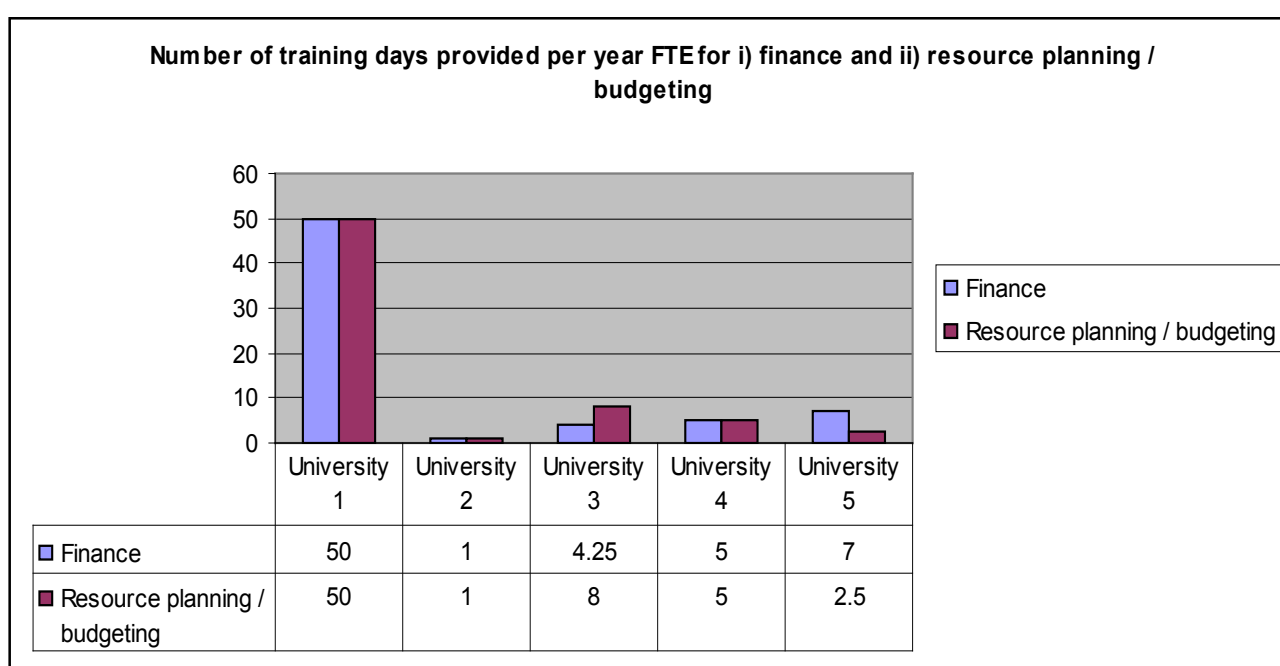


Four out of five of the participating universities employ staff who have completed a CCAB recognised qualification.

- Average percentage of staff of staff who have a CCAB recognised accounting qualification – 8.53%

The disparity between the percentages of staff that have a CCAB recognised accounting qualification is likely to be attributable to international variations in the availability of CCAB equivalent training courses.

Four of the five universities confirm that their staff who perform the resource planning/ budgeting function are educated to at least degree level. One university does not record this information. Academic qualifications held by staff delivering these functions include B Commerce, B Business, BSc (major in Mathematics), MA in National Economics, MA Political Science, Master of Arts, and MA Business Economics.



University 1 provides a substantially larger number of training days (50) compared to the other four universities. The variance between the number of training days provided by the remaining four universities (University 2, 3, 4 and 5) is relatively small:

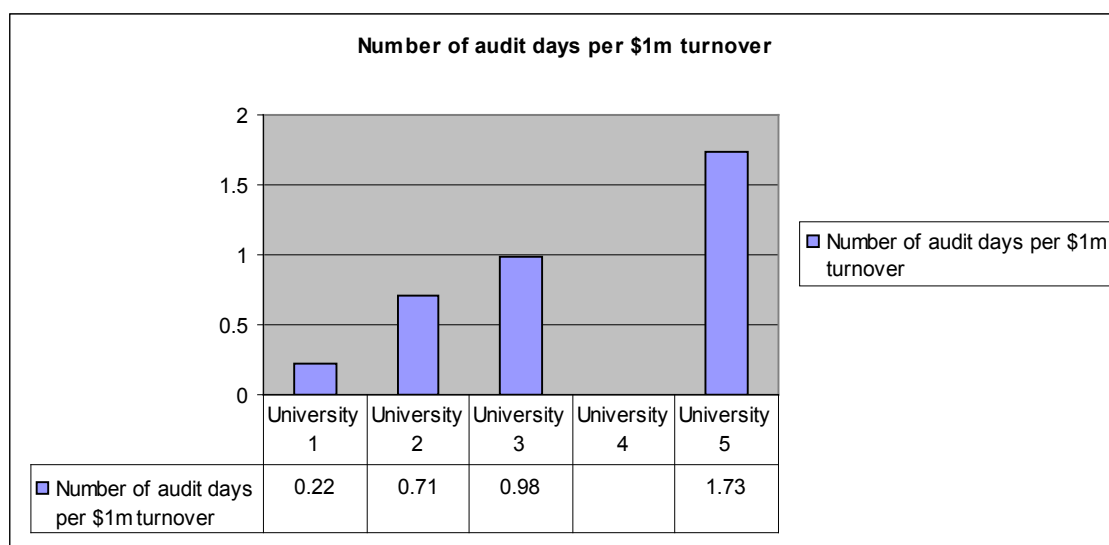
	Highest number of training days	Lowest number of training days	Average number of training days
Finance Function	7	1	4.31
Resource planning / budgeting function	8	1	4.13

There is little variance between the number of training days provided per year for the finance and resource planning / budgeting functions. Four of the five universities provide staff within the finance function either the same or a greater number of training days as their planning resource / budgeting function:

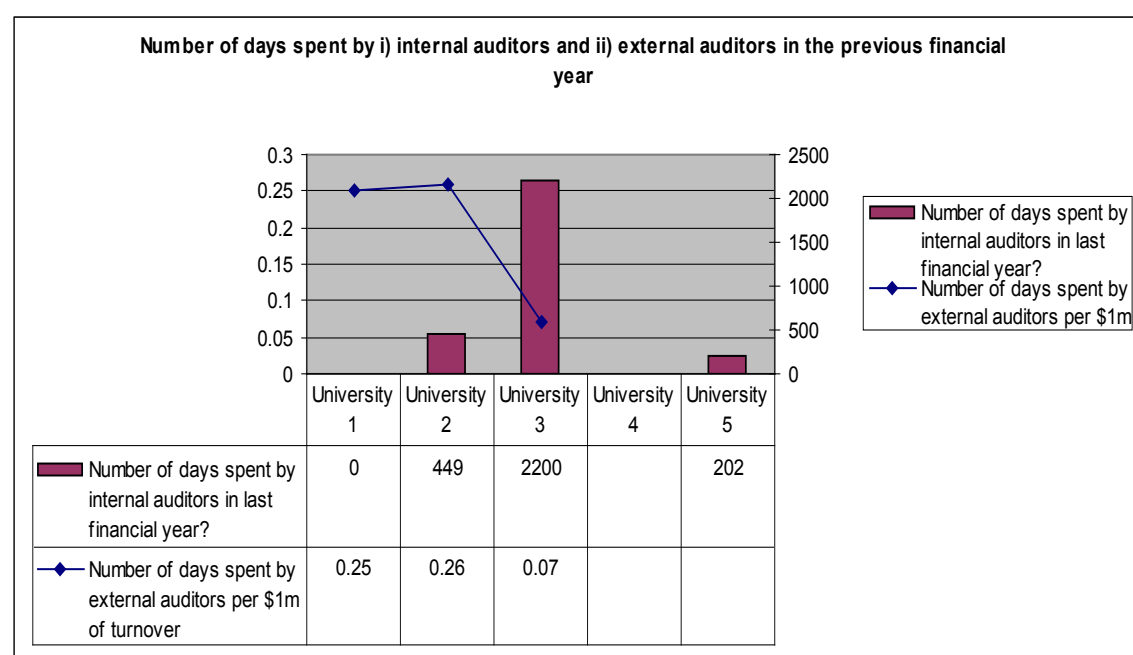
- Average number of training days provided per year for the finance function – 4.31
- Average number of training days provided per year for the resource planning / budgeting function – 4.13

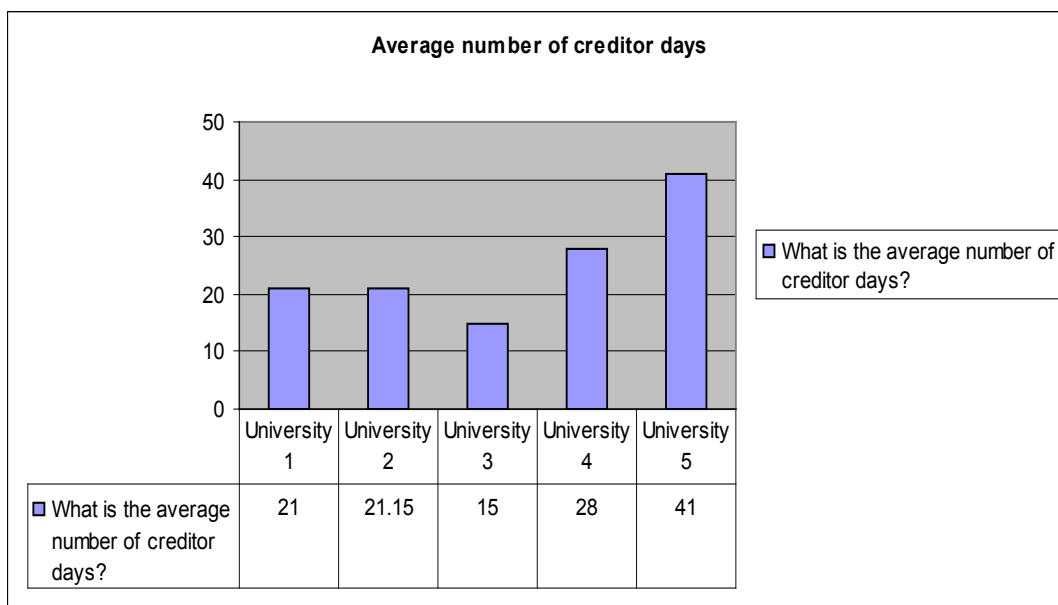
One of the five universities (University 3) provided a greater number of training days for the resource planning / budgeting function compared to the finance function.

9. Audit

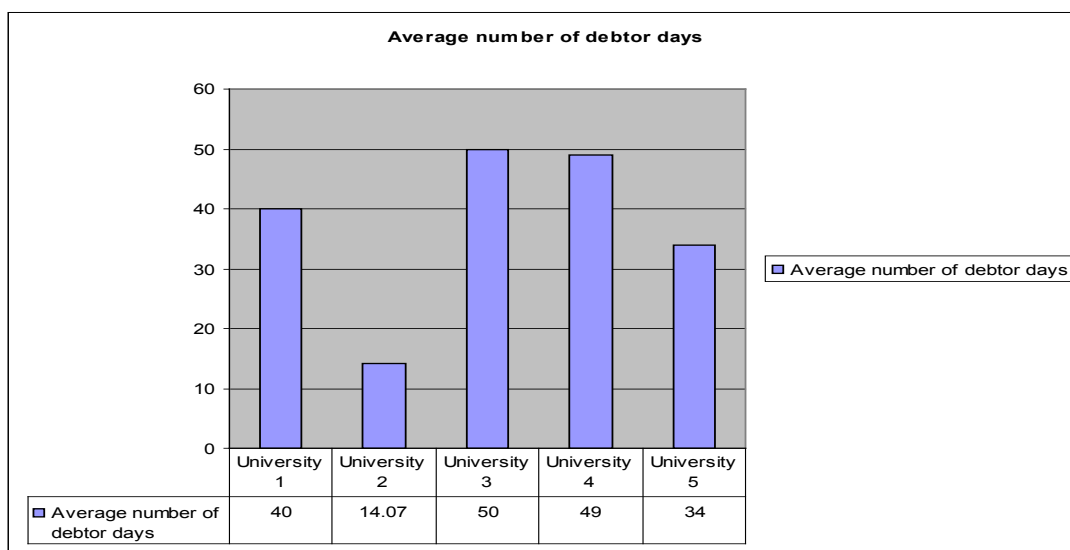


The average number of audit days per \$1 million turnover is 0.91. University 4 is unable to answer the questions around auditing as this information was is accessible.





Over the course of the last year (academic or calendar) the average (mode) number of creditor days is 21.



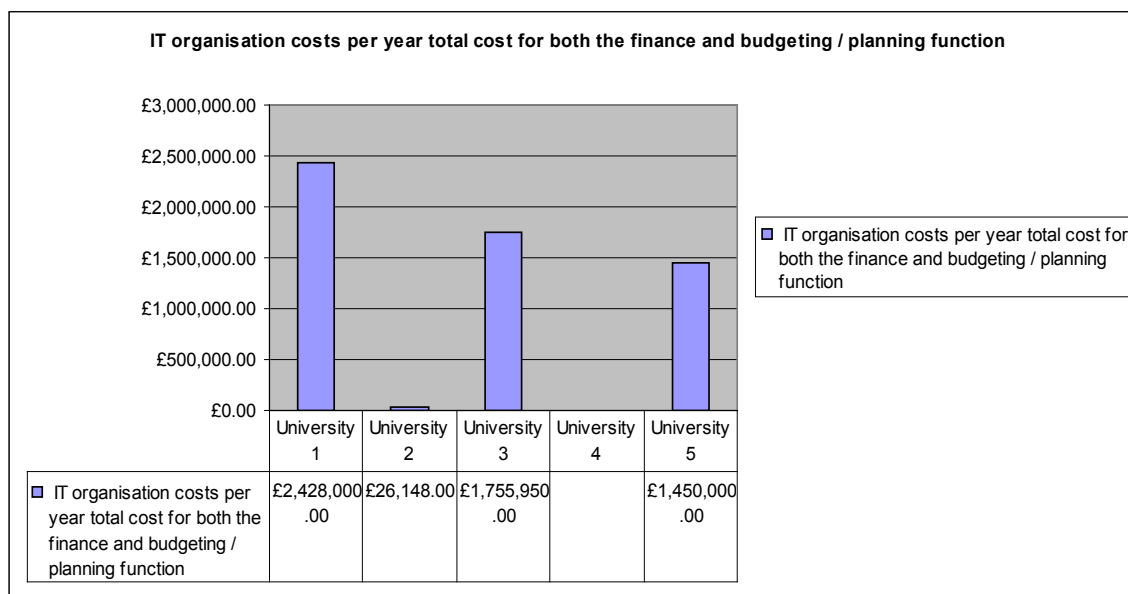
Over the course of the last year (academic or calendar) the average (median) number of debtor days is 40.

10. Finance Systems

The following ranges of ERP (Enterprise Resource Planning) systems are used within the finance function across the five universities who participated:

- Oracle
- Peoplesoft
- SAP ECC6.0.
- EHP4
- Campus Solutions v10.0
- Datawarehouse Discoverer
- Microsoft NAV

Four of the five universities do not use their ERP system for the resource planning /budgeting function. This may be attributable to the capabilities of the ERP system used for the finance function.

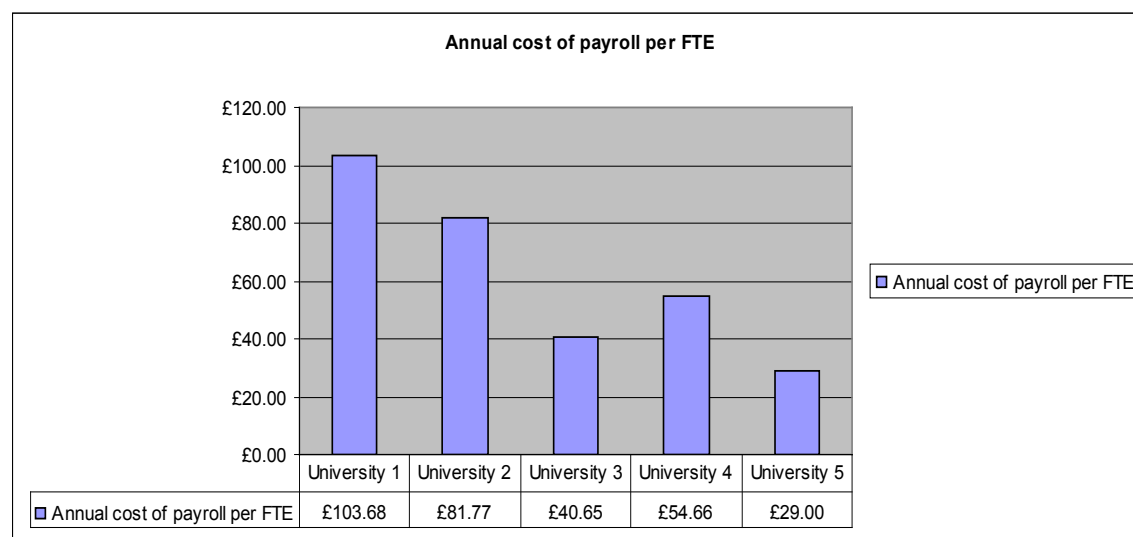


Average cost per year for both finance and resource planning / budget systems is £1,415,024.50

University 3 is the only participant who segment their IT costs by function – finance function (Finance £250,850.00 per annum; resource planning / budgeting £1,505,100.00 per annum).

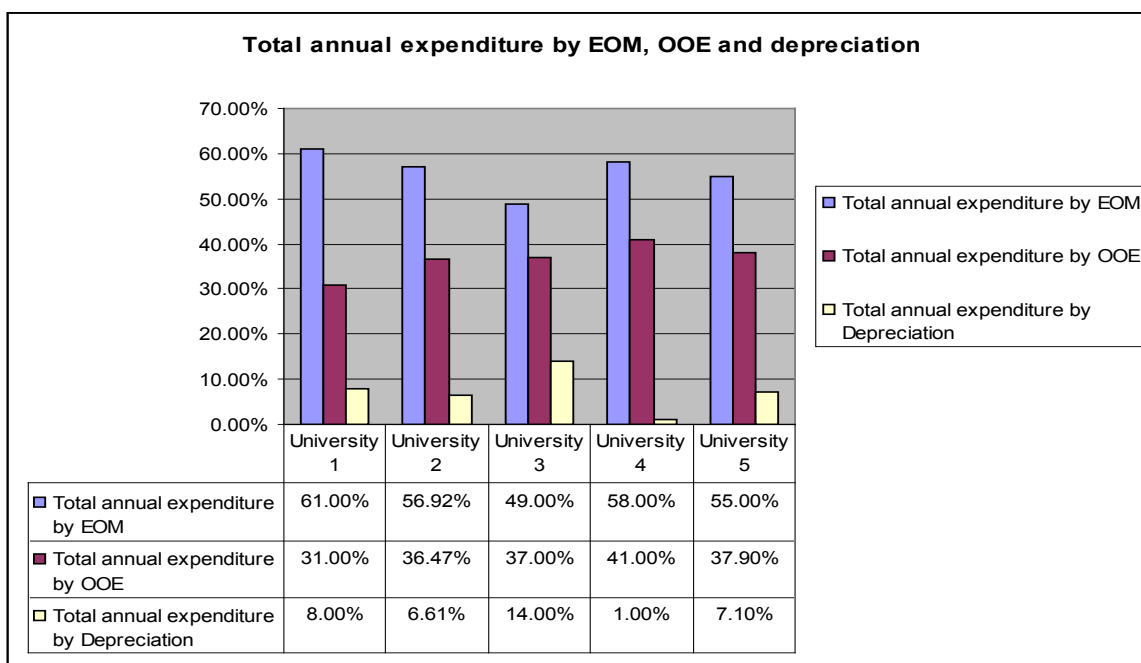
Four of the five universities do not outsource any proportion of their finance or resource planning/ budget function. University 3 does outsource a proportion of their finance function (whilst the operating an internally developed budget and allocation system).

11. Payroll



Highest annual cost of payroll per FTE	Lowest annual cost of payroll per FTE	Average annual cost of payroll per FTE
£103.68	£29.00	£61.92

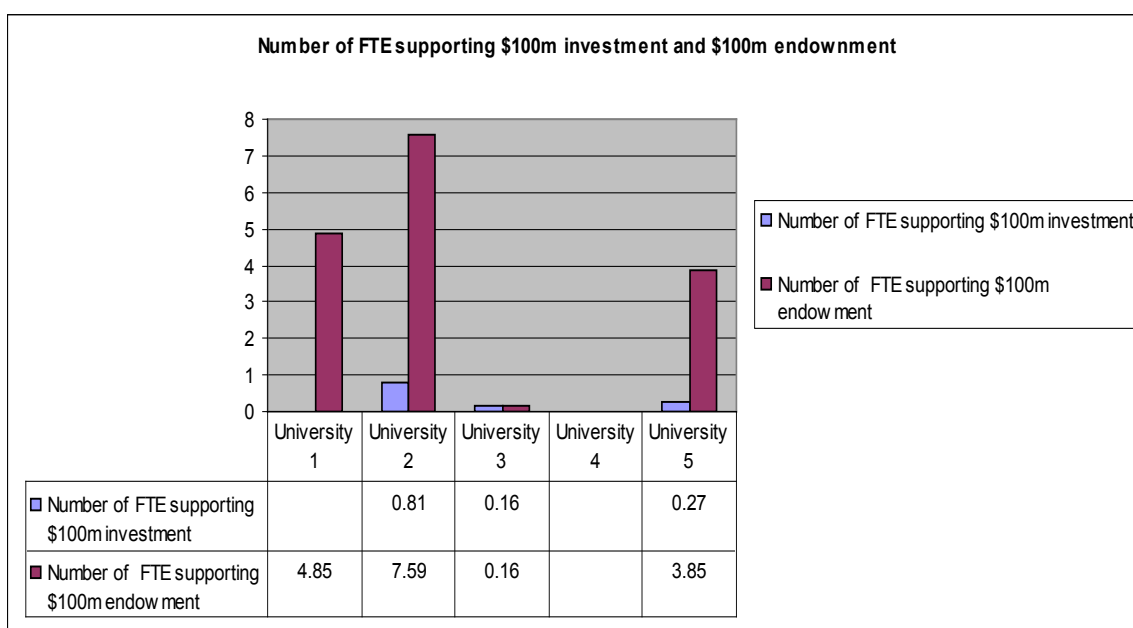
12. Expenditure



Every university expends more annually on manpower than other operating expense.

- The average total annual expenditure on manpower is 56%
- The average total annual expenditure on other operating expenses is 36.7%
- The average (median) total annual expenditure by depreciation is 6.61%.

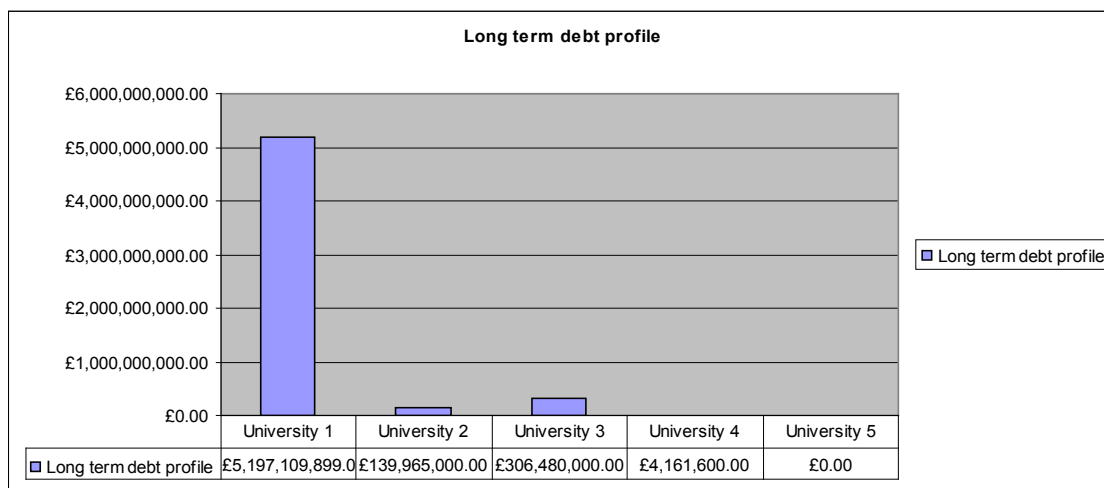
13. Investment and Endowment Management



Two of the participating universities have significantly more full time employees supporting \$100 million endowment than investment. University 3 has the same proportion as they are managed from the same pool.

14. Treasury Management

There is a high level of disparity between University 4 and the other four universities. The various debts / loans range from 25 years, 10 years, and 5 years maturity.



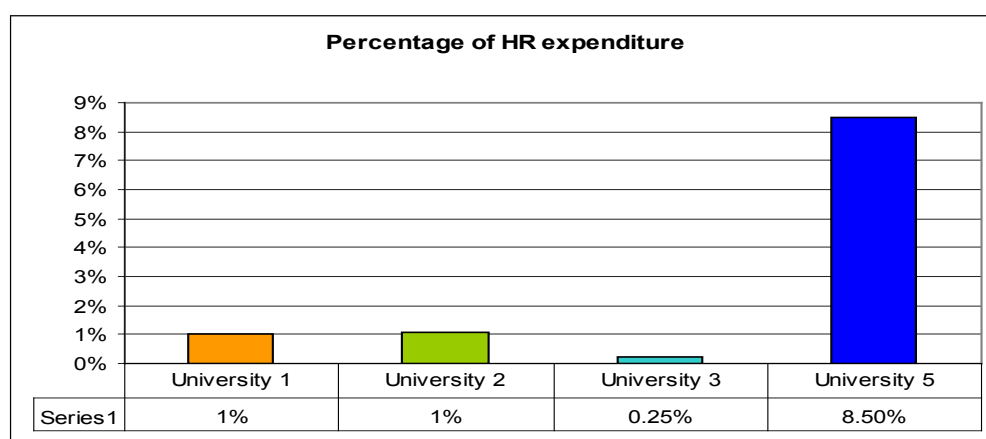
Highest debt profile figure	Lowest debt profile figure	Average debt profile figure
£5,197,109,899.00	£0	£1,129,543,299

E) Final Report Example

Below is an example of the information that the participating institutions will receive in their individually tailored report. Each university has been allocated a number and they will be informed of their number so that they know who they are and can benchmark themselves against the others but they will not be given the number of the other universities to maintain the anonymity of everyone involved.

Example - University 5 = University of X

The percentage of the overall expenditure of the university committed to the HR function



- The average (mean) percentage of the overall expenditure of the university committed to the HR function is 2.69%.
- The average (mode) percentage of the overall expenditure of the university committed to the HR function is 1%.
- The average percentage of the overall expenditure of the University of X committed to the HR function is 8.5%.

F) Next Steps

- i) Each participating university will receive their report by December 2011 and an update will be provided to the 2012 Presidents meeting. The December date may have to be reviewed if any more members wish to participate at this late stage in the pilot.
- ii) The IARU Senior Officers meeting in October 2011 may wish to consider taking a decision on how the project is taken forward, or alternatively they may wish to delay the decision until October 2012, to seek feedback on how the individual reports were received by the member universities. The view of the project members at the University of Cambridge is that the benefit of such a benchmarking project will occur over time and to persevere with a member organisation co-ordinating the work for another two functions. The options are discussed in more detail below.

G) Options for Further Benchmarking

The benefits of benchmarking will come over time as progress is made; the options for further benchmarking are as follows:

- i) More functions, perhaps a total of six are compared over a three year period (i.e. two per year).
- ii) The benchmarking begins to show how each member university's operative function may have changed in a performance measure compared to an earlier benchmarking. This benefit therefore can only be derived on a three year cycle – e.g. HR was covered in 2011 and will therefore next be covered in 2014.

An additional consideration has to be how any workload is managed. Ideally the work should be carried out by the same administrators for consistency. An alternative to this is the administration varies among member universities which spreads the workload, but may result in some inconsistency. The option of outsourcing the work seems to be financially burdensome.

The options for how the benchmarking project is progressed are as follows:

- i) The project is brought to an end because the benefits are seen as long term and there is a practical difficulty of administering the workload associated with each benchmarking exercise.
- ii) The pilot is deemed as opening the way to having regular (biannually) surveys on up to six functional measures, which best determine the performance of the universities (and that can be realistically benchmarked). This could be commenced in 2012 and has the benefit of producing broad data relatively quickly and comparative data in 2014, 2016 etc. The disadvantage is clearly that there is a notable administration involved in taking the work forward.

iii)The project is seen as having long term benefits and in any three year cycle, up to six functional measures are compared which best determine the performance of the universities (and can be realistically measured). Consequently any cycle could be carried out between 2011 and 2014, with two functions being benchmarked each year. This proposal has the advantage of bringing some proportional balance between the speed of results and managing the workload.

H) Summary Comments

This paper outlines the high level findings from the responses to some of the questions. It is clear that any conclusions which can be drawn would be assisted if more members were able, even at this late stage, to participate in the pilot.

The paper does not recommend the next steps, but outlines the realistic options of how the project may be taken forward, if indeed the member universities wish to take it forward. The options could result in a decision now or delaying the decision by 12 months, allowing members to have had their institutional level reports.

The project has indeed had its challenges but remains on course to deliver the outcomes of the pilot stage.

Appendix 1

Introduction

In all instances where a description is requested please provide open text responses that are limited to no more than 250 words.

In all instances where a question asks for a specific figure, number, percentage or average this should be based upon data drawn from within the most relevant twelve month period that applies to your university i.e. your academic year or calendar year. **For further explanatory information to support completion of the questionnaire please refer to the Guidance Notes.**

If you require any further information or have any questions please contact Miranda Carr; email: mjc204@cam.ac.uk, tel; +44 1223 760167.

Please return your completed questionnaire to:

Beverly Anderson

Office of Director

Human Resources Division

University of Cambridge

Email: beverly.anderson@admin.cam.ac.uk

1. Organisation

- 1.1 Please provide an illustration that depicts the functional structure of the university (an organisational chart or matrix for example).
- 1.2 Would you describe the university as (a chart or matrix might provide a useful visual aid to your description):
 - a) predominantly de-centralised. Please provide a brief description illustrating the university's de-centralised approach.
 - b) predominantly centralised. Please provide a brief description illustrating the university's centralised approach.
- 1.3 Please describe major initiatives and programmes that the university is currently involved with in relation to the HR and Finance functions e.g. development of a robust financial or HR reporting system; a major streamlining initiative.
- 1.4 Please advise whether the university measures key performance indicators and if so, which ones are measured and whether any priority order is applied.
- 1.5 Please advise whether the university is involved in any other benchmarking exercises. If you have answered 'Yes' to this questions please provide further details.

2 The Human Resource Function (HR)

- 2.1.1 What is the ratio of HR staff to overall headcount?

- 2.1.2 What percentage of the overall expenditure of the university is committed to the HR function?
- 2.1.3 What number (Headcount or FTE) of university staff performing an HR function occupy a role that:
- provides advice and supports policy
 - provides administrative support and some junior level advice
 - undertakes transactional processing e.g. maternity leave, sickness absence
 - undertakes project work
- 2.1.4 Does the university have an HR Strategy outlined in a document? (please provide a copy of this).
- 2.1.5 Please describe the processes for developing and adopting the HR Strategy (or a typical HR policy if you do not have an HR Strategy) for the university.
- 2.1.6 What is the timescale of the HR Strategy?
- 2.1.7. What are the mechanisms used to measure the HR Strategy's implementation and effectiveness (or a typical HR policy's implementation and effectiveness if you do not have an HR Strategy)?
- 2.1.8 Please provide a pictorial illustration that depicts the organisational structure of the HR Function (an organisational chart for example).
- 2.1.9 Please select which of the following areas of work/activities are undertaken by the HR function in the university:
- ☐ Health and Safety
 - ☐ Occupational Health
 - ☐ Payroll
 - ☐ Training and Development
 - ☐ Equality and Diversity
 - ☐ Others, please specify

2.2 Demographics and Diversity

- 2.2.1 Please provide the total headcount and FTE of the university by:
- Academic staff
 - Research only
 - Teaching and research
 - Teaching only
 - Non-academic staff
- 2.2.2 Please advise what numbers of the total headcount are categorised as:
- Staff on temporary contracts
 - Staff on permanent contracts
 - Staff on fixed term contracts
- 2.2.3 Please provide the total number of students by:
- Undergraduate
 - Postgraduate.

2.2.4 Please provide the total number of post doctoral scholars in the university.

2.2.5 Please provide the following information for each of the following staff groups; academic, non-academic:

- Percentage of female staff: part time and full time
- Percentage of staff who have a disability
- Percentage of staff 55 and over
- Percentage of staff 25 and under
- Average (mean) length of service
- Average (mean) age of employee

2.2.6 Please describe any Equal Opportunities Policies currently in force in the university.

2.3. Training and Development

2.3.1 Please provide the following information:

- Number of training activities delivered in the university in the last academic/calendar year (whichever is most relevant to your university) by:
- Staff performing the HR function: headcount and FTE
- Other internal providers (if relevant)
- External providers
- Number of staff participating in a training activity in the last academic/calendar year (whichever is most relevant to your university): headcount and FTE.
- Number of staff performing the HR function who administer training activities in the university: headcount and FTE.

2.3.2 Describe the mechanisms for identifying the training and development needs of the university and its staff?

2.4 Recruitment and Retention

2.4.1 Please provide the following information for the last academic/calendar year (whichever is most relevant to your university):

- Average number of vacancies advertised
- Average number of new recruits
- Average number of leavers
- Average number of new contracts produced
- Average number of contract amendments made
- Number of staff who administer this service: headcount and FTE

2.4.2 Please describe the procedures used for selection/appointment of staff.

2.4.3 Please describe the mechanisms for retaining staff.

2.4.4 Does the university possess a set of competencies that are implemented during the recruitment and selection process? If so, please provide a brief description of these.

2.5 Grading and Reward

2.5.1 Please provide the following information:

- Number of new roles graded?

- Number of existing roles re-graded?
- Number of staff who administer this service: headcount and FTE

2.5.2 Please describe any recognition and reward systems (financial or non-financial) in place at the university? e.g. incentive schemes, bonus systems and base pay compensation.

2.5.3 Please describe which (if any) of these systems are linked to performance?

2.6. Discipline

2.6.1 Please provide the following information:

- Number of formal cases handled by the HR function
- Number of informal cases handled by the HR function
- Average length of time to conclude a case
- Number of people performing an HR function who administer this service: headcount and FTE

2.7 Grievance

2.7.1 Please provide the following information:

- Number of formal cases handled by the function
- Number of informal cases handled by the function
- Average length of time to conclude a case
- Number of people who administer this service: headcount and FTE

2.8 Absence from work

2.8.1 Please provide the following information:

Total number of sickness absence days reported by

- Academic staff
- Non-academic staff

Total number of people on sick leave

- Academic staff
- Non-academic staff

2.8.2 What is the annual leave entitlement within the university for the following staff groups?

- Academic
- Research
- Non-Academic

2.8.3 What is the sabbatical leave entitlement within the university?

2.8.4 On average how many terms are taken for sabbatical leave?

2.8.5 What is the number of people who have taken sabbatical leave in the last academic/calendar year (whichever is most relevant to your university)?

2.9 Flexible working

2.9.1 What forms of flexible working do you offer?

2.9.2 How many requests for flexible working have you received in the last academic/calendar year (whichever is most relevant to your university)?

2.9.3 How many requests were agreed?

2.9.4 Number of people who administer this service: headcount and FTE

2.10 HR Systems and Reporting

2.10.1 Please select which of the following processes do your HR/Payroll systems support:

- ☐ Sickness absence
- ☐ Maternity leave
- ☐ Diversity statistics
- ☐ Recruitment
- ☐ Performance management
- ☐ Professorial and non-academic promotions
- ☐ Other (please list)

2.10.2 Are staff supporting HR Systems in a functional (as opposed to a technical) role part of the HR Function?

2.11 Staff Feedback and Monitoring

2.11.1 What mechanisms are used to assess staff satisfaction across your university e.g. a staff satisfaction survey? How often is this assessment made?

2.11.2 What mechanisms are in place to explore causes of dissatisfaction amongst staff e.g. exit interviews with leavers?

2.11.3 How many staff unions are represented at your university?

2.11.4 What communication processes are in place between staff unions and management?

2.11.5 To what extent do staff unions contribute to the development of HR policy and practices?

2.12 Performance Assessment

2.12.1 Please describe the mechanisms for reviewing staff performance for:

- Academic
- Non-Academic

Please refer to Guidance Notes for examples of these mechanisms.

2.12.2 To what extent are performance criteria or objectives reflected in staff role/job descriptions?

3. IT

3.1. Please select which of the following operations your IT systems facilitate:

- ☐ Pay roll
- ☐ Maternity/paternity leave
- ☐ Absence management
- ☐ Online appraisals
- ☐ Online recruitment
- ☐ Other (please specify) – see below

3.2 Who are the systems providers?

3.3 Please describe areas of interest to collaborate for infrastructure and application development.

4 Research activity

4.1 Please provide details (number and/or value) of research awards granted to the university in the last academic/calendar/financial year (whichever is most relevant to your university).

4.2 What number of these research awards were received from:

- Contracted research/Industry
- Public funded agencies e.g. government
- Private funded agencies e.g. charitable foundations
- Overseas bodies (including EU)
- Other (please provide details)

4.3 Please can you provide details of research awards granted to the university:

- Discipline-specific i.e. biological sciences, humanities, social sciences, arts, clinical sciences, physical sciences
- Multidisciplinary

4.4 Please provide the total number of applications for research funding processed by the university in the last financial year?

4.5 How many staff administer these applications: headcount and FTE?

4.6 What percentage of the overall expenditure of the university is committed to the Research administration function?

Appendix 2

Introduction

In all instances where a description is requested please provide open text responses that are limited to no more than 250 words.

In all instances where a question asks for a specific figure, number, percentage or average this should be based upon data drawn from within the most relevant twelve month period that applies to your university i.e. your academic year or calendar year. For further explanatory information to support completion of the questionnaire please refer to the Guidance Notes.

If you require any further information or have any questions please contact Miranda Carr; email: mjc204@cam.ac.uk, tel; +44 1223 760167.

Please return your completed questionnaire to:

Beverly Anderson

Office of Director

Human Resources Division

University of Cambridge

Email: beverly.anderson@admin.cam.ac.uk

1. Structure

1.1 Is the Finance function centralised or decentralised?

1.2 Is the Resource Planning/Budgeting Function performed by a separate unit or department?

If decentralised

1.3 To what level is the function decentralised?

1.4 Please provide a pictorial illustration that depicts the organisational structures of the Finance Function and Resource Planning/Budgeting Function (an organisational chart or matrix for example) and specifies which functions sit within the Finance Function e.g. payroll; and within the Resource Planning/Budgeting Function eg operating budget planning and management, revenue policies, etc.

2. Cost

2.1 What is the cost and number of FTE engaged in the Resource Planning/Budgeting Function and in the 3 main areas of the Finance Function?

Please see Guidance Notes in relation to 2.1.1., 2.1.2., 2.1.3.

2.1.1 Financial Planning and Analysis/Resource Planning

2.1.2 Financial Operations

2.1.3 Services

2.2 What % of the overall operating expenditure of your organisation is committed to the Finance function and the % of the overall operating expenditure of your organisation committed to the Resource Planning/Budgeting Function?

2.3 What is the income per Finance FTE?

3. Staff

3.1 What % percentage of your staff have a CCAB recognised accounting qualification?

3.2 Please provide the academic qualifications of staff who perform the Resource Planning/Budgeting Functions eg BSc (with a major in Mathematics).

3.3 What is the number of training days provided per year per FTE? Please provide figures for Finance and Resource Planning/Budget separately.

3.4 What is the number of leavers and joiners per annum as a % of FTE? Please provide figures for Finance and Resource Planning/Budget separately.

4. Audit

4.1 Number of audit qualifications?

4.2 Number of audit days per \$1m turnover

4.2.1 Number of days spent by external auditors per \$1m of turnover?

4.2.2 Number of days spent by internal auditors in last financial year?

4.3 Audit fees for last financial year

4.3.1 Number of audit staff:

- External audit
- Internal audit

5 Creditors

5.1 What is the average number of creditor days? Please see Guidance Notes for additional explanatory notes in relation to this question.

6. Debtors

6.1 What is the average number of debtor days? Please see Guidance Notes for additional explanatory notes in relation to this question.

7. Systems

7.1 What is the cost of your main ERP system per user, including maintenance costs and development teams? Please provide data for Finance and Resource Planning/Budget systems separately.

7.2 What is the ERP platform used eg SAP, Oracle?

- 7.3 Is the ERP also used for Resource Planning/Budget or is a separate software used for this; and is it a web-based system?
- 7.4 What are the IT organisation costs per year for Finance and Resource Planning/Budget systems? Please provide the figures for each system.
- 7.5 Are any Finance or Resource Planning/Budget systems outsourced? If so, please provide details of the systems that are outsourced and the annual cost associated with this outsourcing.

8 Payroll

- 8.1 How many FTE per member of payroll staff?
- 8.2 Annual cost of Payroll per FTE?

9 Treasury Management

- 9.1 Average rate achieved on deposits?
- 9.2 Long term debt profile?

10 Investment and Endowment Management

- 10.1 Number of FTE supporting \$100m investment?
- 10.2 Number of FTE supporting \$100m endowment?

11 Turnover

- 11.1 Please advise what the university's total annual expenditure is by:
- EOM
 - OOE
 - Depreciation
- on a percentage basis
- 11.2 Please advise what the university's total annual income is. Please outline the source of each income stream and the number of each income stream in relation to the total income figure.

Appendix 3

These guidance notes provide some explanation and guidance to support your completion of this questionnaire. If you require any further information or have any questions please contact Miranda Carr; [email: mjc204@cam.ac.uk](mailto:mjc204@cam.ac.uk).

1 Organisation

- 1.1 An organisational chart would be an appropriate example.
- 1.2 'Centralised' to be interpreted as under the control of a centralised authority.
'De-centralised' to be interpreted as distribution of control across a number of local authorities.
- 1.4 An example of a key performance indicator might be:
 - Pay costs of non-academic staff compared with academic staff

2 The HR Function

- 2.1.3 For those universities that take a centralised approach this would mean staff reporting to central HR. For those universities who take a de-centralised approach this would mean staff who undertake HR function work in their own department, faculty or institution.

2.2 Demographics and Diversity

- 2.2.2 'Fixed term' to be interpreted as staff who are on a contract for a fixed/defined term e.g. 3 years.
- 2.2.6 The objective of an Equal Opportunities policy would be to ensure that no member of staff is treated less favourably than another on the grounds of any or all of the following: sex, race, disability, sexual orientation, religion or age.

2.3 Training and Development

- 2.3.1 'Training activity' to be interpreted as any activity that involves a learning or development opportunity for staff. Examples might include a formal training course or workshop delivered either face-to-face or web-enabled; a presentation or lecture.

2.4 Recruitment and Retention

- 2.4.1. 'contracts' interpreted as contract of employment
- 2.4.4. 'competencies' to be interpreted as the behaviours that employees must have, or must acquire, to input into a situation in order to achieve required or agreed levels of performance.

2.5 Grading and Reward

- 2.5.1 'Grading' to be interpreted as the process of assessing the duties of a role/post using a specific job evaluation scheme e.g. HERA to establish which specific point on the organisational pay scale that role/post should occupy.

'Re-grading' to be interpreted as the process of re-assessing the duties of a post using the same job evaluation scheme to establish whether that post needs to be placed at a different point on the organisational pay scale from the one that it originally occupied. The re-grading process might occur if the duties of a post had changed significantly.

- 2.6 'Discipline' to be interpreted in the context of an employer raising a concern with an employee for some of the following reasons:

- Excessive or unauthorised absence
- Inappropriate behaviour
- Consistently poor performance.

- 2.6.1 'Informal case' to be interpreted as a case where informal meetings have taken place between employer and employee but a formal disciplinary hearing has not yet been undertaken and no formal warning has been issued.

'Formal case' to be interpreted as a case where a formal disciplinary hearing has taken place between the employee and employer which might result in a formal warning being issued to the employee.

- 2.7 'Grievance' to be interpreted in the context of an employee raising a concern with their employer in relation to their terms and conditions of employment for some of the following reasons:

Experiencing discrimination in the work place
Experiencing bullying in the work place
Experiencing harassment in the work place.

- 2.7.1 'Informal case' to be interpreted as a case where a concern has been raised by an employee but no formal letter of complaint has been received by the employer

'Formal case' to be interpreted as a case where a formal letter of complaint has been received by the employer from an employee or an employee's legal representative.

- 2.9 'Flexible working' to be interpreted as a variable work schedule that deviates from the standard working pattern to accommodate the needs of an individual members of staff.

2.11 Staff Feedback and Monitoring

- 2.11.1 An example of this might be a Staff Satisfaction survey.

- 2.11.2 An example of this might be an Exit Interview with leavers

2.12 Performance Assessment

- 2.12.1 An example of this might be an 'Appraisal' or 'Staff review and Development' system enabling employees to meet with their direct manager on a regular (typically annual) basis to discuss their performance levels in the preceding year, agree targets for the coming year and agree any training and development activities that they need to undertake in order to meet agreed performance levels.

These guidance notes provide some explanation and guidance to support your completion of this questionnaire. If you require any further information or have any questions please contact Miranda Carr; email: mjc204@cam.ac.uk.

1. Structure

1.1 'Centralised' to be interpreted as under the control of a centralised authority.

'De-centralised' to be interpreted as distribution of control across a number of schools, departments etc.

If decentralised

1.2 As above

2 Cost

2.1

2.1.1 Includes:

- Budgeting/financial planning
- TRAC – Transparent Approach to Costing - a costing methodology used by all UK Higher Education institutions that identifies costs of teaching, research and other activities
- FEC – Full Economic Costing <http://www.admin.cam.ac.uk/univ/fec/>

2.1.2 Includes:

- Transaction processing (Accounts Payable (AP), Accounts Receivable (AC), Cash Management)
- Central Accounting
- Research Accounting
- Treasury Management
- Investment Accounting
- Reporting (statutory and management)
- Financial Systems
- Payroll

2.1.3 Includes:

- Tax
- Property Accounting
- Central Purchasing Office
- Insurance
- Finance Training

3 Staff

3.1 CCAB made up of the following bodies:

The Institute of Chartered Accountants in England and Wales (ICAEW)
The Institute of Chartered Accountants of Scotland (ICAS)
The Institute of Chartered Accountants in Ireland (ICAI)
The Association of Chartered Certified Accountants (ACCA)
The Chartered Institute of Management Accountants (CIMA)
The Chartered Institute of Public Finance and Accountancy (CIPFA)

5 Creditors

5.1 Outstanding creditors balance at year end / turnover x 365

6 Debtors

6.1 Outstanding debtor balance at year end / turnover x 365

7 Systems

7.1 ERP – Enterprise Resource Planning

9 Treasury Management

9.2 Sources of debt, value of each source and % split between debt source

11 Turnover

11.1 EOM – Expenditure on Manpower
OOE - Other Operating Expense