

Workforce management selection criteria and surplus priority

Equality impact assessment

February 2011

Equality Impact Assessment for Workforce Management Selection Criteria and Surplus Priority Changes

Introduction

The Department for Work and Pensions (DWP) has a number of policies that seek to recruit, retain and advance the right calibre of people, through fair, open and consistent means.

The Department for Work and Pensions has carried out an equality impact assessment on updates to the Workforce Management Policy assessing the proposal in line with the current public sector equality duties.

This impact assessment focuses on the Selection Criteria section of the Workforce Management Policy and also on the sections of the policy relating to Surplus Priority. It is important to note that some of our other policies are interdependent. Related policies/tools are:

- Attendance Management;
- People Performance;
- DWP Competency Framework;
- Selection.

This process will help to ensure that:

- the Department's strategies, policies and services are free from discrimination;
- the Department complies with current equality legislation; and
- due regard is given to equality in decision making and subsequent processes.

Scope of this assessment

The equality impact assessment will demonstrate how the Department has demonstrated it has paid due regard in revising the Workforce Management policy – selection criteria and surplus priority, to protect against discrimination on the grounds of race, disability, gender, age, gender reassignment, sexual orientation, pregnancy and maternity and religion and belief.

This assessment looks at the available evidence to determine the extent to which the effect of the proposed change differs between persons sharing a protected characteristic and persons who do not.

Brief outline of Workforce Management Policy

The Department is committed to ensuring that there is a fair, objective, consistent and non-discriminatory selection mechanism in place. The selection criteria identify employees who will be retained or released (through 'selecting in' for jobs or 'selecting out' for oversubscribed voluntary exit schemes).

The Workforce Management Policy aims to manage the downsizing agenda in the most cost effective manner possible, whilst preserving the right mix of skills and abilities to support effective delivery of the Department's business. The guidance covers all staff between AA and Grade 6 (and equivalent) within the Department and its Businesses. The Selection Criteria section of the policy is designed to retain the most capable people for the work of the Department whilst affording sufficient flexibility to meet the different needs of businesses across the Department.

Specifically, our aim is to build a workforce which reflects the wider community and to allow staff to maximise their potential to contribute to our business objectives. Thus, the challenge is to create a flexible and motivated workforce of the right size that lives the organisations 'values' and that is capable of delivering improved performance for our customers, in a dynamic and changing environment. In short, to create a workforce that:

- puts the customer first;
- is inspired by and confident in leadership;
- is engaged and motivated;
- is highly capable;
- has the right people in the right place at the right time and at the right cost;
- is organised in the most effective way;
- delivers high performance and
- is ready and able to deliver change.

As well as retaining the right people in the right jobs at the right time the Department is also committed to giving surplus members of staff priority for vacancies. This is a key element of the Agreement between DWP and the Departmental Trade Union side, which strives to maximise redeployment and minimise compulsory redundancies. The suitability of surplus staff for vacancies is considered first, and before other members of staff at the same grade.

The existing Workforce Management Policy was specifically designed to support the 2004 Spending Review and beyond in reducing headcount to meet the efficiency

challenge. In line with the Spending Review 2010 efficiency agenda, we have reviewed our policies and identified two areas to update, the Workforce Management Selection Criteria and Surplus Priority.

Selection Criteria

The Selection Criteria are used where jobs are unchanged or similar, but there is a reduced number available. Individuals are scored against set criteria and ranked to determine who has been selected in for posts and selected out for any over subscribed voluntary exit schemes.

There were concerns that the Workforce Management (WfM) Selection Criteria and scoring system did not allow enough differentiation in performance to ensure our better performers were retained. To alleviate this concern we have revised our selection criteria.

The key changes are:

- Past and Current Performance, Competencies and Attendance Management - all mandatory selection elements.
- Assessment of competencies and performance weighted 60:40 in favour of competencies.
- Competencies scored on a 1-9 scale.
- Individuals assessed against a minimum of 3 and maximum 5 DWP Competencies.
- Attendance Management remains a feature of the scoring system, to be used in all instances.

The supplementary criteria (cost and length of service) remain part of the policy.

Making Competencies and Attendance Management mandatory criteria, and removing the use of optional criteria, ensures a consistent approach is taken to all selection exercises. Professional Skills are no longer separate criteria as these are now embedded into the DWP Competency Framework.

Recent changes to People Performance mean that the majority of people get similar performance scores. The aim of the 60:40 weighting of competencies and performance in favour of competencies is to provide greater granularity in scoring, by giving greater emphasis to the comprehensive assessment of an individual's skills, knowledge and behaviours while still allowing continued recognition of their past performance.

Scoring for Competencies on a 1-9 scale will allow for a more accurate assessment of peoples competencies and is consistent with the recruitment scoring range which employees are familiar with either as a vacancy holder, applicant or both.

Performance scoring will operate as detailed in the current People Performance system with no modifications. **The People Performance system was impact assessed for its introduction in 2009.** The calculation of the performance score will be a total of three years of past performance and a performance mark for the current year. A Line Manager assessment of in-year performance will remain a key feature.

Assessing individuals against a minimum of 3 and maximum 5 of the DWP competencies will allow for a fuller more rounded assessment of their skills and behaviour.

Attendance will be scored as detailed in the Attendance Management procedures. We decided to remove the 'backsliding' element from the scoring process, so that only individuals who are within a formal warning period will receive a lower score, not those who are in the 'backsliding' period following completion of the formal warning stage. This recognises those people who have a good attendance history whilst not disadvantaging those who may have had attendance issues in the past which are now resolved. **The Attendance Management Policy was impact assessed in 2006, and has since been reassessed in line with minor amendments.**

Scoring processes will be discussed in benchmarking meetings for each exercise, where representatives from each Business Unit involved in the selection exercise will meet to ensure fairness and consistency in the scoring process.

Individuals will be able to see their scores for each separate criterion, and will be able to produce evidence for their line manager to assist the process of scoring.

Moreover, individuals have access to the normal channels to raise a grievance if they feel they have been unfairly assessed.

Surplus Priority

Additionally, there have been concerns that giving priority status to surplus staff adds to the risk that the Department does not retain its best performers. We need to get the balance right between the vacancy holder accepting the most suitable individual for the job and giving surplus employees at all grades priority in the vacancy filling process, ultimately minimising the risk of compulsory redundancies.

Currently, our surplus policy states that vacancy holders must accept surplus employees for their vacancies unless they can show they are 'demonstrably unsuitable' for the job has been revised.

Individuals at grade HEO (Band D) level and above will be required to demonstrate the relevant skills and competencies for the job, or be able to acquire them in 1 to 2 months.

The current test of "demonstrably unsuitable" will still apply at grade EO (Band C) level and below.

Surplus employees will keep their priority status and their suitability will still be assessed in advance of other applicants at all grades. Surplus individuals will be considered first for vacancies as part of the Department's priority to

redeploy as many employees as possible and seek to avoid or minimise the risk of compulsory redundancy.

The rationale for revising this policy at HEO level and above is that the competencies and skills specific to roles at these grades are not easily transferable between jobs. The rationale for retaining the existing policy at EO level and below, is because experience has shown people in these grades have the generic skills and knowledge that are more easily transferable between roles.

It is thought that the updated surplus priority approach will allow a more accurate assessment of a candidate's suitability for the vacancy which is of benefit to all DWP surplus staff, and all DWP employees going forward. The refined policy will further ensure that individuals are placed in roles for which they are suitable and also allows for the interests of the individual to be considered.

Implementation

The audience for the policy changes and associated guidance includes Human Resource Teams, Human Resource Business Partners, Regional Change Implementation Programme Executive (ReCIPE) teams, Line Managers and employees throughout DWP.

Implementation of the Selection Criteria changes will be the responsibility of Line Managers with selection exercises. They will be supported by the Human Resource Business Partner network who will oversee exercises to ensure they follow the policies and provide advice where appropriate.

ReCIPE teams will challenge vacancy holders to ensure they do not use the change in policy to avoid taking surpluses.

Relevant communications, to employees, Business Partners and Human Resource Directors have been and issued by the HR policy team. Collectively, these stakeholders will also have the responsibility of monitoring the policy implementation, in terms of consistency and adherence with the Workforce Management guidance.

An article to all staff will be published on the HR Department and You site notifying them of the changes.

Consultation and involvement

The Performance and Attendance Management policies have been subjected to an equality impact assessment. Therefore, consideration to diversity characteristics, such as race and disability, will have been taken into account when developing the policy.

The DWP Competency Framework has not been assessed for equality impact as it is not considered a policy in its own right. However, it is understood that diversity and equality are embedded in our competencies. These have been in use for a number of years and are already built into a number of our policies.

Internal stakeholders

A number of internal stakeholders have been consulted when revising our Selection Criteria and Surplus Priority Policy:

- Research into selection criteria and scoring mechanisms carried out by other Government Departments conducted by Occupational Psychologists.
- Consultation with Occupational Psychologists from Organisation and People Development (OPD) to discuss the current scoring mechanism and to provide a professional view on adapting the scoring system to enable greater distinction between scores. Particular discussion around the 9 point scale for scoring competencies.
- Consultation, including an initial workshop reviewing current policy and exploring different options, throughout the decision making process with individual Businesses (Jobcentre Plus and Pensions, Disability and Carers Service) and directorates within the Departments Corporate Centre. The unanimous outcome of these consultations was the need for greater granularity in scoring in the current and future context of downsizing and restructuring.
- Consultation with HR Information and Analysis team regarding the scoring spreadsheet. The team interrogated our spreadsheet and confirmed it was fit for purpose, conducted an analysis and determined the criteria provided greater differentiation, and identified no areas which could threaten the integrity of the scoring data.

In addition the Department held regular meetings with Departmental Trade Union Side throughout the decision making process. These meetings are detailed below:

02/10/2010 – Consultation Meeting

04/11/2010 – Consultation Meeting

10/01/2010 – Consultation Meeting

The scale of the consultation and involvement is considered to be proportionate to the changes made to this policy.

External stakeholders

Consultation with external stakeholders is not required for this policy change.

Impact of the Workforce Management Selection Policy

It is the aim of the Department to ensure that in implementing these policy changes it promotes equality of opportunity and good relations between persons of different

racial groups, ages, religious beliefs, disabilities, genders and groups of individuals with other protected characteristics.

From the information contained within the policy guidance there is no initial indication to suggest that the policy changes will have any disproportionate negative consequences for any particular protected group amongst DWP employees.

The principles of the policy are fairness, openness and transparency and have been developed in a careful and considered manner and agreed across the businesses in consultation with the Departmental Trade Union representatives.

The Workforce Management guidance relating to Selection Criteria and Surplus Priority is largely generic and further analysis and impact assessment will be required at and during the implementation stage when data has been generated that will reflect the equality implications of the policy. At present, since the policy will only be implemented from 7 February 2011 there is no data available to substantiate this.

Amending this policy in the ways described will provide the following benefits to DWP employees;

- A fuller, more rounded and more accurate assessment of an individual's competencies, skills and behaviours, enabled by scoring more competencies/skills, on a wider range and weighting the overall competencies score, to give greater emphasis.
- Continued recognition of past and current performance, whilst appreciating that the existing system does not allow enough distinction between scores, to really recognise performance in selecting in and out exercises.
- Recognition and reward for good attendance and full scoring of those individuals who are in the backsliding period following a formal warning for attendance.
- Greater assurance that placement of surplus employees into vacancies will be appropriate to the competencies, skills and behaviours of each individual.
- Continued assurance that surplus staff will be considered first and before colleagues at the same grade for vacancies, consistent with the Department for Work and Pensions and Departmental Trade Union Side Agreement, which ultimately strives to minimise compulsory redundancies.

Impact on Protected Characteristics

Age – There is no data evidence at this stage of screening the policy to suggest that there will be any disproportionately negative consequences on age.

Disability – The scoring of attendance could be seen to be unduly disadvantaging those individuals who have a disability and may require time off work. The Attendance Management policy has been separately impact assessed and it is thought that the procedures relating to this policy effectively mitigate this risk, so that

those individuals who score less than full marks for attendance should only be those whose poor attendance is not in any way related to their protected characteristic.

The Attendance Management Guidance states that 'If it has been established that an employee is likely to incur a certain level of absence as a direct consequence of their disability/underlying health condition, the manager may agree a reasonable level of absence which can be supported due to that disability or condition'. This means that we can reasonably assume that adherence to the attendance policy will mitigate the risk of people with protected characteristics being negatively scored for attendance.

Additionally the changes to the surplus priority policy could be seen to unduly disadvantage those individuals who have a disability and may require more than 1-2 months to acquire the relevant competencies/skills. The advice section of our Workforce Management policy advises vacancy holders to take into account an individual's personal circumstances, such as their disability, when considering how long is suitable to acquire the relevant competencies/skills for posts at HEO grade and above.

Gender Reassignment – There is no data evidence at this stage of screening the policy to suggest that there will be any disproportionately negative consequences on gender reassignment.

Marriage and Civil Partnership – There is no data evidence at this stage of screening the policy to suggest that there will be any disproportionately negative consequences on the Marriage and Civil Partnership protected characteristic.

Pregnancy and maternity – The scoring of attendance could be seen to be unduly disadvantaging those individuals who are pregnant and may require time off work. The Attendance Management policy has been separately impact assessed and it is thought that the procedures relating to this policy effectively mitigate this risk, so that those individuals who score less than full marks for attendance should only be those whose poor attendance is not in any way related to their protected characteristic.

The Attendance Management Guidance states that 'If it has been established that an employee is likely to incur a certain level of absence as a direct consequence of their disability/underlying health condition, the manager may agree a reasonable level of absence which can be supported due to that disability or condition'. This means that we can reasonably assume that adherence to the attendance policy will mitigate the risk of people with protected characteristics being negatively scored for attendance.

Race – There is no data evidence at this stage of screening the policy to suggest that there will be any disproportionately negative consequences on race.

Religion or belief – There is no data evidence at this stage of screening the policy to suggest that there will be any disproportionately negative consequences on religion and belief.

Sex – The changes to the surplus priority policy could be seen to unduly disadvantage those individuals who have alternative working patterns and may require more than 1-2 months to acquire the relevant competencies/skills. The advice section of our Workforce Management policy advises vacancy holders to take into

account an individual's personal circumstances, such as their working pattern, when considering how long is suitable to acquire the relevant competencies/skills for posts at HEO grade and above.

Sexual Orientation – There is no data evidence at this stage of screening the policy to suggest that there will be any disproportionately negative consequences on sexual orientation.

The revised selection criteria and surplus priority policy, when used, are applied to all in a particular group irrespective of diversity characteristics.

Line managers conducting selection exercises are responsible for the implementation of this policy and also for ensuring that due regard is given to individuals with protected characteristics, in accordance with the Diversity and Equality principles, so that the processes are applied fairly and access is maximised for all individuals.

Monitoring and evaluation

Communications will be issued to key stakeholders to coincide with the implementation of the policy. These stakeholders will include employees, Line Managers, Human Resource Business Partners, the Regional Change Implementation Programme Executive and the Departmental Trade Union Side.

Additionally, equality data generated from selecting in and out exercises will be collected by the Workforce Planning Team, at a high level, to ensure confidentiality is maintained. As a matter of course DWP conducts equality monitoring and keeps complete and comprehensive records of any selection exercise for audit purposes. Such monitoring will enable identification of any negative impacts of the policy on individuals with particular impairments, which fall under the protected characteristics of disability, race and gender, age, gender reassignment, pregnancy and maternity, religion or belief and sexual orientation. This will enable a comprehensive evaluation of the policy and any unintentional equality implications it may have.

Conclusions

This Equality Impact Assessment on Workforce Management Selection Criteria and Surplus Priority has been produced by DWP HR Policy, has been contributed to by representatives from each of the Businesses across DWP and has been quality assured by the Diversity and Equality Centre of Expertise.

Next steps

The policy will be implemented on 7 February 2011. Following this implementation, monitoring of selection exercises will occur, and equality data, broken down into each of the protected characteristics will be collected to identify and mitigate negative impacts and to gather further data to support the assessment.

The EIA will be reviewed a year after publication and any negative impacts that have been identified from the monitoring process will be addressed in order to improve the positive and promotion parts of the policy. This timescale will allow for sufficient data to be generated in order to thoroughly assess the policy.

Contact details

Hannah Freeman hannah.freeman@dwp.gsi.gov.uk

Liam Burkill liam.burkill@dwp.gsi.gov.uk

DWP HR Policy
Porterbrook House
Pear Street
Sheffield
S11 8JF