

objective 9: strengthening our team

We aim to attract, retain, develop and motivate the high-calibre staff we need to achieve our objectives.

Performance against our annual plan

<p>Objective</p> <p>We will recruit and develop high-calibre, qualified and well-trained staff; we will encourage a working environment more aligned to the delivery of OFT objectives by developing more effective human resource strategies and practices.</p>	
<p>Our commitment</p>	<p>Our performance</p>
<p>Review our performance management system and the link with pay and, where appropriate, propose changes to the board.</p>	<ul style="list-style-type: none"> Completed review and began developing options for change.
<p>Review the structure and levels of our pay ranges and, where appropriate, propose changes to the board.</p>	<ul style="list-style-type: none"> Completed review and submitted proposals to the board.
<p>Develop and introduce system for evaluating the costs and benefits of learning and development activity.</p>	<ul style="list-style-type: none"> Put in place new evaluation system.

During 2003-04, the OFT spent £2.25m on achieving this objective.

This money was allocated as follows:

Human resources operations	£1.34m
Learning and development	£0.69m
Other costs	£0.22m

Strategy

We developed a new human resources strategy framework to ensure we have a workforce capable of delivering our future business objectives. This was presented to the OFT board in March 2004 and received broad support. Work is under way to finalise the strategy and take forward the work arising from it.

Learning and development

We are committed to helping our staff develop the capabilities they need to ensure the OFT achieves its objectives. During 2003-04, staff attended a wide range of learning and development programmes covering subjects ranging from the application of consumer and competition laws to financial management, diversity awareness and written communication.

New in 2003-04 was a programme we devised and ran to help our senior managers develop their leadership capabilities. During the year, 65 grade six and seven managers attended the programme. At the outset, participants received '360-degree feedback' from their direct reports, peers and line manager to help them identify their strengths and areas for improvement. They then attended a two-day development workshop that was supplemented by regular coaching and e-learning activities.





In March 2004, we launched a similar programme for our senior executive officers and executive officers.

During the year, we produced a new leadership and management development framework for our Senior Civil Servants. This also includes 360-degree feedback.

Measuring benefits

We revamped our approach to evaluating our learning and development activities. We introduced new systems that allow us to measure the impact of learning and development on people's capabilities and on the achievement of our corporate objectives. We used these new evaluation methods to help plan improvements to our learning and development programme.

Investor in People

We continued to work towards recognition as an Investor in People. We originally achieved the national standard in 1999 but, following a reassessment in 2002, we were told we needed to improve in certain areas if we were to regain full Investor in People status.

We have been working to address the shortcomings revealed in the reassessment and, in 2003-04, this included developing a new system to measure the effectiveness of our learning and development programme (see above). Following further assessment in 2003 and 2004, the assessors recorded our progress as 'impressive' and concluded in April 2004 that we met the Investor in People standard.

Performance management and pay

With the help of third-party consultants, we reviewed our approach to rewarding OFT staff. The aim of the review was to identify options for improving our performance management and pay systems to better attract, retain and motivate staff.

Our pay rates were compared with those on offer in the public and private sectors and our approach to performance management was compared with best practice. The review considered findings from a questionnaire sent to all staff and a number of focus groups.

One of the key findings was that our performance management process was over-bureaucratic, placing too much emphasis on paperwork and not enough on ongoing dialogue between managers and their reports. At the end of 2003-04, we were starting work to simplify the process.

While the review found OFT pay rates generally compared well with those elsewhere in the public sector, it made a number of recommendations. These included providing greater incentives for outstanding performance, aligning salaries of specialist staff (in particular lawyers, economists and accountants) and secretaries more closely with market rates, and changing our grading system to create more clearly defined career ladders.

Changes to our pay, grading and performance management systems will be developed in consultation with staff.

Recruitment

During 2003-04, we recruited three new directors and 114 other staff. At the end of the year, the OFT had 678 permanent staff (March 31 2003: 631).

Of new staff, 37 were recruited for our Consumer Regulation Enforcement division, 31 for Competition Enforcement, 23 for Markets and Policy Initiatives and 26 for our support divisions.

We are committed to the Civil Service recruitment principles of open and fair competition and selection on merit and we follow the Civil Service Commissioners' Recruitment Code. No candidates were recruited during the year under the arrangements for permitted exceptions under the code.

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During the year, we produced a new leadership and management development framework for our Senior Civil Servants.