Indicative Organizational Maturity Rating (OMR) for the University of Oxford:

BB-

An OMINDEX rating of BB- is the default rating for any organization that has yet to embark on a conscious journey of maximising the value from all of its human capital. At this level of maturity, we would confidently expect a 5-10 percentage point improvement, in selected organizational performance measures, within two years of embarking on an OMR improvement programme. At the same time, any specific 'people risks' identified should show signs of significant mitigation.

Summary report

OMINDEX is the Maturity Institute's (MI) global standard for gauging Total Stakeholder Value (TSV). The OMR methodology can be applied to any organization, and has so far focused firmly on the commercial world, but MI has now taken a conscious decision to incorporate universities and business schools in order to bring a long-overdue, fresh and innovative perspective to this sector. This move has been prompted by a growing mix of concerns and issues.

- Public concern about the pay of Vice Chancellors
- Concern about the true value of university degrees to those who earn them
- The value of university based research
- The release of significant and sizeable bonds by universities as a source of funding for future development

This last issue, Oxford's approach to funding, suggests a stitch-in model rather than one of coherent, holistic planning. It has a triple A credit rating, and has successfully floated a bond based on this excellent financial standing. It sees itself as a world class institution with a widening group of stakeholders. This is why it presents a most appropriate case study to gauge it on OMINDEX. While markets are concerned with credit worthiness a more holistic picture needs to be painted. How much, for example, is the performance and value of universities dependent on the way they treat, manage and listen to staff? What are the experiences and perceptions of the university among the people in Oxford's own locale, region and country; and how does that sit with its reputation as a first class educational institution? So in applying the OM30 v2.00 to the university's own documents, and other externally available sources, what did we find?

The 'first pass' analysis produces an OMR score of 39.99%, placing Oxford's current maturity level at the default of BB-. This immediately indicates that it does not take its human capital management responsibilities, in the round, seriously enough to mitigate the risk level of 60%. Oxford increases the human capital value of its students, primarily through using its

own sources of financial capital and its staff. The question here is does it gain the best possible value from its own human capital?

The OM30 reveals risk factors present in Oxford's lack of human governance and sub-optimal human capital utilization. It may have the funds for future developments but is its 'improvement engine' firing on all cylinders? It has wonderful plans, but does not evidence how it will have implemented the processes to meet these plans, or instigate ways of measuring success objectively. Only in 2017 do we find that an employee experience survey has been implemented, and even after being open for some seven months, it only achieved a response rate of around 50%. Oxford may already be feeling the long-term effects of a level of complacency born, paradoxically, out of a legacy of a historical reputation for excellence. So the future really is about changing the playing field: the knowledge and experience of everyone in the organisation is now more important than ever if Oxford wants to maintain its position ahead of the rest of the field.

Staff turnover, or 'churn' is often taken as a rough marker of employee satisfaction, the capacity of an organisation to develop its staff and the growth (or decline) of a healthy culture. One of the anxieties experienced with the new generation of workers is that younger staff do not stay long with an organisation, decreasing the chances that either employer or employee will invest in developing knowledge within that organisation. Like many universities, Oxford has a great many short-term contracts for Academic, Research Staff, Teaching and Research support staff, and Technical support staff, and around 30% of its staff turnover is due to these contracts ending. However, when added to its voluntary leavers in 2015-16, this adds up to over 17% staff turnover, including important skilled technical professionals, in Finance and IT, many of whom leave for career reasons, suggesting a lack of opportunity to develop in their area of specialism. Research within universities more widely suggests that the hooks needed to attract and keep faculty, are different from those needed to attract and keep non-faculty staff: excellent reputation will attract and retain high quality academics and researchers, but organisational support and recognition is needed for non-faculty. In a digitised academic world, special care needs to be taken in recruiting good support and management workers in Communications and Information Technology, and this is a very competitive market.

The 2013-18 Strategic Plan recognises the importance of its staff, and of its contribution to the learning experiences of its students (both under- and post- graduate), but it has no systems in place to evaluate the impact of training or development on either. It apparently only measures what it must for government-led audit, and even then, does not always reach the threshold for reporting. Following up graduates, whether at first job, or post-doctoral level is really important. Does an Oxford BA or BSc aid in achieving that first job (whatever type of schooling) or do most graduates move on to a Master's programme, and even then, do they get employment merited by their educational level? Data on graduation at six months is masked by the Governmental choice of 'In Employment or further study'. How enriched are graduates by the added value they gained from their Oxford experience? Is the University in a position to say?

Maybe the underlying assumption is that the 'Oxford brand' alone will maintain the perceived value of the institution in the eyes of all stakeholders? It is a Research University,

and so gains a considerable amount of its running costs from block grants, and some of these will reduce if and when Britain leaves the EU. Part of its current training budget will flow through these funds, and will impact on Doctoral numbers (a part of training). It is attempting to backfill through donations, via the Oxford Thinking Campaign, which the 2015-16 financial report suggests £2.4bn in pledged funds, but these are currently pledges rather than consolidated.

The importance of the idea of Brand stretches to Oxford University Press, which gives a considerable income to the university. Is it too, using the new knowledge generated by the university to change its practice? Is the creativity and innovation of its staff being fully utilized? Does it deploy its digital experts in the way that the institution, which it serves, suggest? Or is training just online, and for compliance, rather than for development.

Assumptions may also have been taken for granted that the Oxford graduates of the future will be as well remunerated as their predecessors? In the new, highly globalised job market, this need not be the case. Further, their own research shows that professions, such as those in medicine and surgery, will require fewer expert practitioners, as Machine Learning (ML), Big Data (BD) and Artificial Intelligence (AI) support professional knowledge. This is bound to have an impact on the need to train so many candidates to high level, and indeed, the future pipeline for undergraduates generally. This is true of the university sector in general, but particularly so in the case of Oxford, because it is a high level, research intensive institution.

This finding, from completing Oxford's indicative OMR, shows that the University may have learning at the core of its corporate purpose, but not at the core of its own functioning. Does it consciously apply its own, self-generated, impactful research to have a positive and highly valuable impact on itself? Where is the feedback loop that considers the implications of ML, BD and AI for the future curriculum? The new Cybersecurity doctoral programmes are slated to last four years - which is a very long time in the evolution of malware. Oxford needs to find its way towards becoming an applied learning organisation, in every sense, if it is to reap the totality of benefits and value that offers. Perhaps it should invite its graduates back again to ask for their perceptions, experiences and advice rather than funds that may end up as part of a declining rather than virtuous cycle.

Innovation may be valued because it can bring in future revenue, but there does not appear to be a system to tap into the innovation of all staff. There is a habit in Universities only to value the creativity of researchers, and academics, and not those of administrative and support staff, in all their infinite variety. A good cleaner will know where there is boredom in the curriculum because the lecture theatres and teaching rooms will be filled with litter and the detritus of snacking, even if there is an official ban on such consumption. A good caterer will know which drinks are more popular, and which tasty tit-bits are not so tasty on the day. A student-facing administrator will know where there is dissatisfaction on a course before there are any formal complaints through the Students Union. A good IT technician will notice a troubling Twitter-feed, an unwise entry on a website or a 404 broken link, in this fast-paced news world. Not to have a communication system where everyone can contribute, and make comment, is missing a very important channel for practical

development and change. There may indeed be a way of communicating a 404 error, for example - but a positively reinforcing feedback loop and a 'thank you' is needed where there is evidence of impact. Consider also that a good connection in 2015 may not be one to shout about in 2018: some world leaders can become less worthy, and 'claiming' their success less wise. Not 'keeping an eye out' can appear unwise.

The University needs to establish for itself what improvement means. The ethos of the institution is that it always recruits 'the best', whether that be in students, or in staff. So, having obtained 'the best' what does it add to them, and what does it add to the wider communities, which are so clearly stage lit in its future strategy? How does it know that it is part of a wider community, and indeed global, improvement plan? How does it know that its spin-off companies add value, rather than merely adding revenue to the university? What account does it keep of improving and using all of the skills of its employees? How could it keep more of its talented, and learning hungry, non-faculty professionals, and its female and minority employees? It has wonderful, and forward-looking policies on some issues, such as being ahead of Government thinking on Apprenticeships, but how can it make sure that it is adding value for all its stakeholders, and doing 'the best' for all of them? It takes a great deal more focus and effort from all, if the 2013-18 Strategy Document is to achieve everything required.

Dr. Jeanette Garwood
Organizational Maturity Analyst

9th January 2018