



HR Quarterly Report

2018/19 Quarter 2 Update

HR Quarterly Report – 2018/19 Quarter 2 Update

Executive Summary

This Human Resources (HR) Quarterly Report provides an overview of key developments that have taken place in the second quarter of the 2018/19 financial year, covering between 24 June 2018 and the 15 September 2018 inclusive.

During this quarter we are behind target for our all workforce and senior manager representativeness measures. There is a significant improvement from Q1 for our all workforce representativeness measure and is again moving in the right direction. The opposite trend has occurred with our senior workforce representativeness measure, where an above target performance in Q1 has seen a reduction in Q2.

Our recruitment activity continues to deliver diverse appointments across the organisation. In the first two quarters, of all those recruited, internally and externally, 44.4 per cent were BAME, and 36.9 per cent were female. However, low turnover coupled with lower levels of external recruitment is reducing our ability to improve the representativeness of our employees at the pace desired.

The annual Viewpoint Survey took place in October. The responses received are being processed and a full update on the outcomes, including the Total Engagement and Inclusivity Indices will be provided in the Q3 HR Quarterly Report.

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Section 1: TfL Scorecard – People Measures

This section provides the Panel with an update on the four People measures included on the TfL Scorecard, along with key activities which support the delivery of our Scorecard targets.

Workforce Representativeness

Total Workforce Representativeness

The Workforce Representativeness measures are an indicator of how closely TfL employees reflect the economically active London population.

Revised Scorecard Baseline

The revision to the baseline for the scorecard target follows the completion of an exercise to extract representativeness data from TfL's recruitment database (Taleo) and the addition of this to the existing data held on SAP. Following this we have a greater breadth of data to inform us of the current baseline for this measure.

This exercise has shown that our senior leadership is slightly less diverse than we thought, but we still have some gaps in our data. We will be undertaking a full disclosure campaign that has been informed by Behavioural Science to reduce that gap. However we are holding ourselves to the original, challenging target because of the importance to us of improving our diversity to better reflect the city we serve.

Of the two representativeness measures included in the scorecard, the senior manager

measure has changed, from a score of 44.7 per cent at the end of 2017/18, to a new baseline of 41.5 per cent for the start of 2018/19. The target for 2018/19 of 46.6 per cent still remains.

All Workforce Representativeness

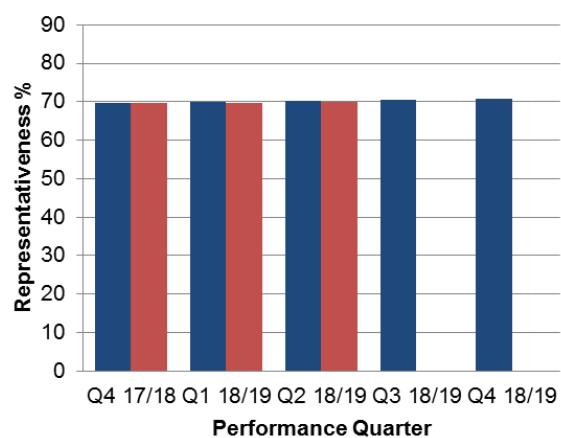
The Scorecard target for Total Workforce Representativeness in 2018/19 is 70.7 per cent. In Q2 we fell short of the target of 70.2 per cent, with a total workforce representativeness score of 69.9 per cent.

This is an improvement on our Q1 performance and sees our all workforce representativeness measure resume an upwards trend. We will continue to increase our representativeness further, with activities outlined in the following section contributing towards this.

All Staff Workforce Representativeness, Q2 2018/19

69.9%

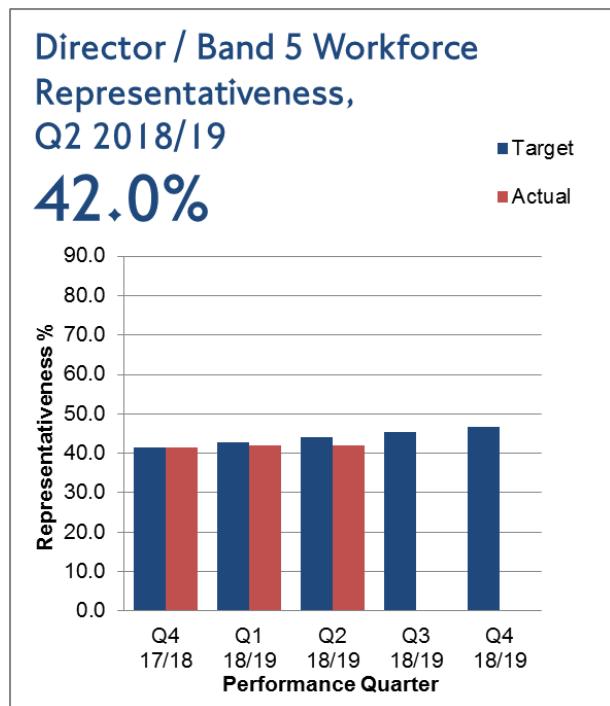
■ Target
■ Actual



Director / Band 5 Workforce Representativeness, Q2 2017/18

For the Director and Band 5 workforce representativeness scorecard measure, the 2018/19 target is 46.6 per cent. At the end of 2017/18 our scorecard outcome was 41.6 per cent.

In Q2 our senior manager representativeness reduced from 42.1 per cent to 42 per cent. This puts us behind our quarterly target of 44.1 per cent.



Total Engagement

The Total Engagement scorecard measure is derived from the annual Viewpoint employee survey. The 2018/19 target for Total Engagement is 57 per cent, a 1 per cent increase on last year's score.

The 2018 Viewpoint Survey has recently concluded, with employees able to submit responses to the survey between 9 and 26

October. Preliminary results will be available in mid-December, with a further update returning to the SS&HR Panel in the Q3 update of this report.

As part of this year's campaign to increase the response rates to the survey, we ran a competition where employees shared photos of themselves holding up the 'I've had my say' Viewpoint slogan, with the winner being the photo taken in the most unusual or iconic location.



Inclusion Index

The Inclusion Index is another measure from the annual Viewpoint survey. This is a new measure on the TfL Scorecard for 2018/19 and measures how inclusive our employees feel we are as an organisation.

A summary of key events and activities to help improve our inclusive culture at TfL are provided in the following section.

Dashboards

On 19 July we published our Q1 D&I Dashboards to almost 60 of our senior managers. The D&I Team have been meeting with managers and teams across the organisation to ensure that the dashboards are understood and are driving the right actions. The dashboards are supported by a One Stop Shop of resources to help local teams drive action.

Increasing Disclosure Rates

One of the key barriers to delivering targeted and effective D&I interventions is the number of our employees who disclose information on their protected characteristics.

A behavioural science focused campaign is being used to find the best way to increase disclosure rates.

During Q2 we contacted a sample of 2,000 employees with partial or incomplete D&I information, using four different messages asking them to add information on their protected characteristics.

The trial has had a promising response, of the 2,000 employees contacted the following number of changes have been made:

- Sexual orientation: 600
- Faith/Region: 609
- Ethnicity: 318
- Disability: 597

This data will help to give us a much more accurate view of our diversity across the organisation. It is important to note however that initial analysis suggests that most of these changes are to record a ‘majority’ status which may impact the total workforce representativeness scorecard measure. This measure had previously discounted those with no D&I information attached.

Anonymised CVs

Following on from the successful trials carried out in Q1, automatic software which anonymises CVs will be rolled out across the organisation. These trials which automatically anonymise information on a candidates protected characteristics resulted in 47 per cent of hires coming from a BAME background, and 32 per cent female, higher than the existing employee composition.

Secondments

During Q2, the London Underground (LU) Inclusive Operational Culture team conducted a review of secondment opportunities across LU, to identify how these were being advertised. Of the 125 secondments identified with Network Operations, 73 were recruited for using a confirmed open and transparent process. To ensure that all secondments are advertised and recruited for in a fair and transparent way, providing opportunities for all, an internal site is being developed to publish all secondments. This will promote the visibility of secondment opportunities.

Our Time

We became leading supporters and partners of the Our Time initiative, coordinated by the GLA. The initiative pairs high potential women with senior female and male employees from across the GLA family, for a minimum of six months and helps to develop the necessary diverse pipeline of well-prepared, confident and ambitious women that is essential to achieving gender parity in the workplace.

Pay Gap

We are working in partnership with the Behavioural Insights Team, supported by the Government Equalities Office and Harvard University. The partnership will use TfL data and the BIT's behavioural science expertise to understand how we can best tackle our gender pay gap

Dementia Friends

We have committed to become a dementia friendly organisation alongside the Mayor of London, and as part of that commitment, we have developed an internal training course to help our employees develop their knowledge and understanding of how to support someone living with dementia.

This will not only help with employees in front line roles, but will also enhance understanding of Dementia, and the impact that this will have on colleagues who may have caring responsibilities due to Alzheimers.



Section 2: Our People

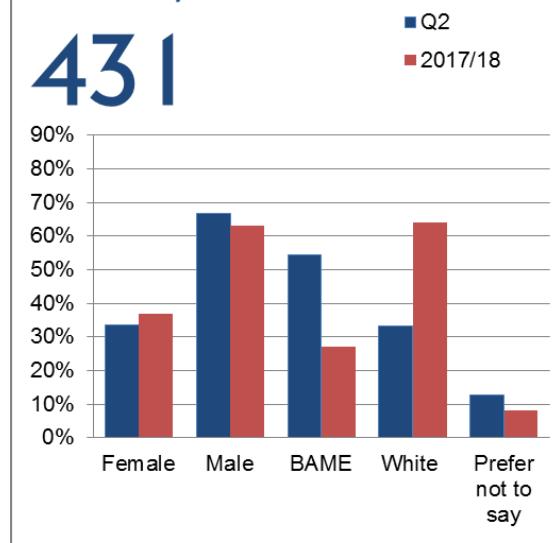
Ongoing Recruitment Activity

The following section shows the composition of all recruitment by business area during Q2. This includes both internal and external recruitment, along with promotions and changes to roles within the same band/grade.

London Underground

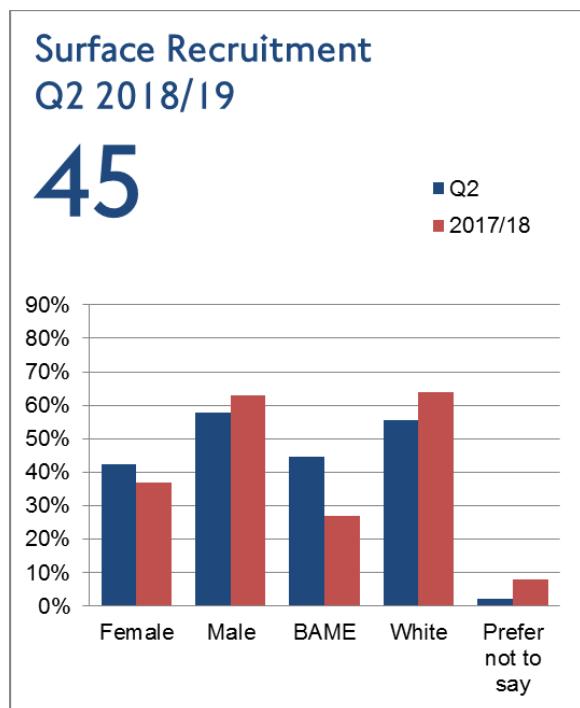
In London Underground female and BAME recruitment is significantly higher than the average achieved in 2017/18. BAME recruitment was in excess of 54 per cent for Q2. Female recruitment was 33 per cent in Q2, this is slightly lower than the 37 per cent of LU recruitment which was female in 2017/18. This is still nearly double the existing 18 per cent of LU population that is female.

London Underground Recruitment Q2 2018/19



Surface Transport

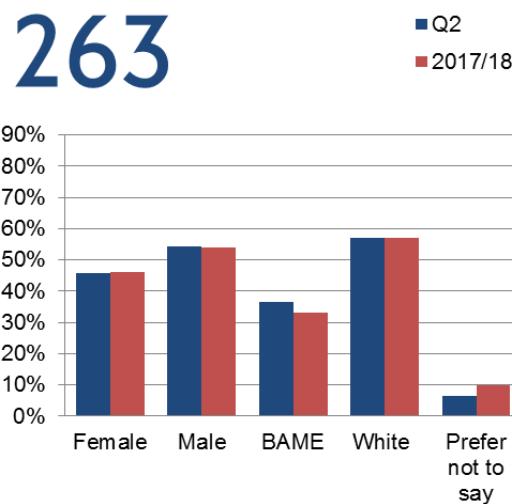
Whilst the representativeness of those recruited in Q2 was higher than that in 2017/18, there were only 45 employees who started roles in Q2. This low level of recruitment continues from Q1, and is in part due to Transformation consultation that took place in Surface over the summer.



Professional Services

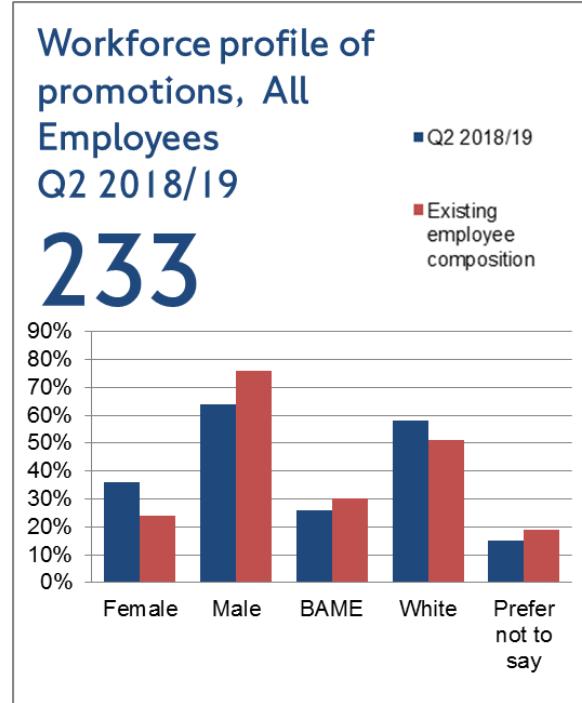
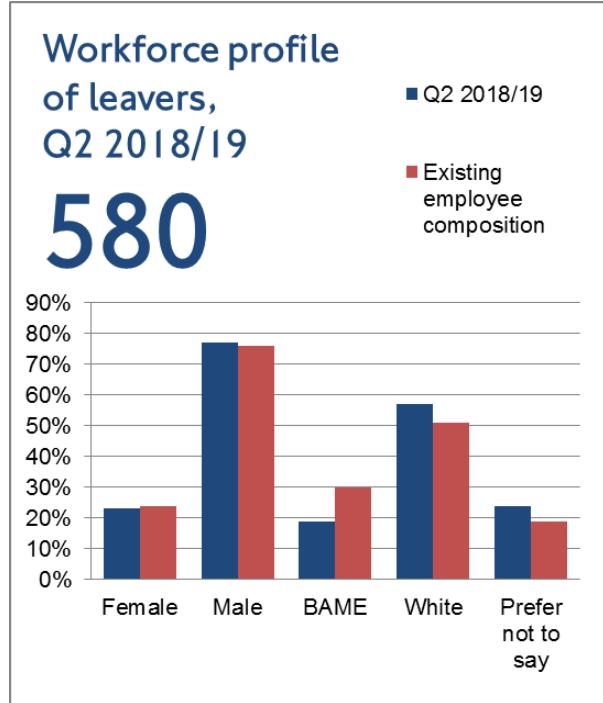
Recruitment in Professional Services again in Q2 was more reflective of London than other business areas. With 46 per cent of all hires being female and nearly 37 per cent of recruits identifying as BAME.

Professional Services Recruitment Q2 2018/19



Leavers

In Q2 a total of 580 employees left the organisation, a turnover rate of 2.1 per cent. If combined with the turnover rate for Q1, the turnover rate to date for 2018/19 is 7.4 per cent. Whilst this low turnover rate can indicate job satisfaction and job security, it can also reduce the speed by which the organisation can change its representativeness.



In Q2 there were proportionally fewer BAME employees leaving the organisation than the existing employee composition, with 18 per cent of leavers coming from a BAME background, compared with over 30 per cent of the existing employee population.

Promotions

In Q2 a total of 233 employees were promoted. This is defined as a change in role from one pay band to the one above. This does not include lateral moves.

Of those promoted in Q2, 36 per cent were female which is significantly higher than the existing employee composition. Those who declared as BAME was slightly lower than the existing employee composition, with 27 per cent of those gaining promotion declaring as BAME, against 30 per cent.

Section 3: Workforce Composition

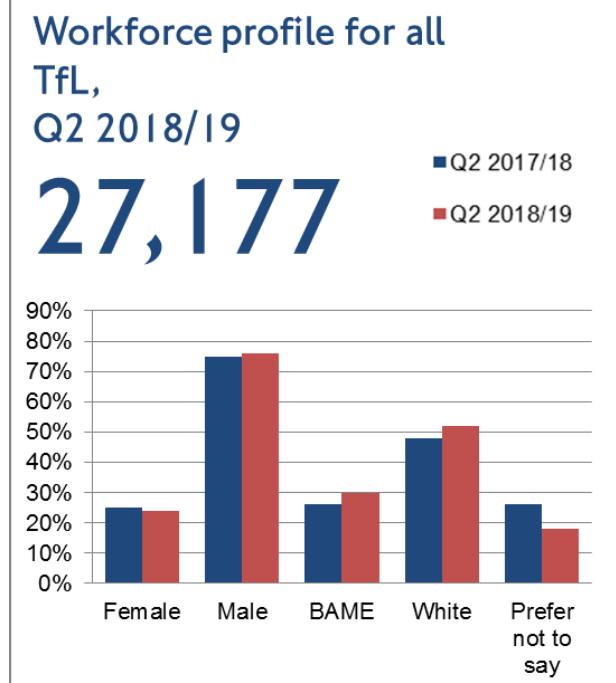
Permanent Headcount

Data extracted from the HR System (SAP) excludes Crossrail and other employees whose details have not yet transferred to SAP.

The following staff numbers represent both permanent TfL employees and temporary staff measured in full time equivalents (FTEs) which equate to one person working 35 hours per week.

All TfL

Total FTEs on SAP decreased in Q2, from 27,449 at the end of Q1, to 27,177. This is down from 27,871 at the end of 2017/18, a 2.5 per cent decrease in total headcount since the start of the performance year.



The proportion of employees who declare their ethnicity as BAME has increased over the past year, from 25.68 per cent at the end of Q2 2017/18, to 30.12 per cent in Q2 2018/19. This increase can be partly explained by the increase in employees declaring their ethnicity, and the subsequent drop in those not declaring from 26.19 per cent, to 17.87 per cent.

The proportion of female employees fell from 24.66 per cent at the end of Q2 2017/18 to 23.73 per cent.

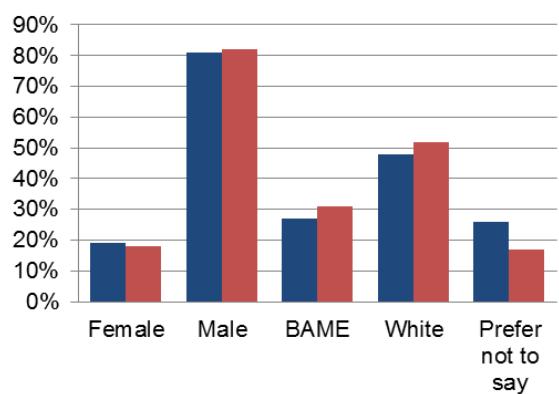
London Underground

The total FTEs in London Underground have decreased from 19,436 at the end of 2017/18 to 18,883 in Q2. Diversity information for London Underground mirrored that of TfL, with the proportion of employees declaring as BAME increasing from 26.67 at the end of Q2 2017/18, to 30.91 per cent. Those preferring not to declare their ethnicity fell from 25.66 per cent to 16.95 per cent over the same period.

Workforce profile for London Underground, Q2 2018/19

18,883

■ Q2 2017/18
■ Q2 2018/19



The proportion of LU employees that are female decreased from 18.67 per cent at the end of Q2 2017/18, to 17.87 per cent. Female recruitment in Q2 stood at 33.41 per cent, despite this the rate of turnover in Q2 was only 2 per cent, reducing the rate at which recruitment can change the wider employee population.

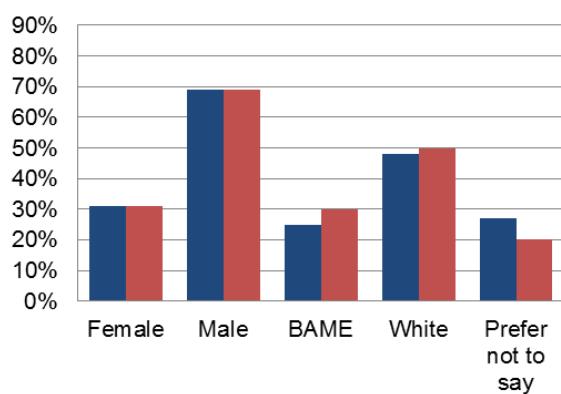
Surface Transport

Total FTEs in Surface have fallen from 3,465 at the end of 2017/18, to 3,138 at the end of Q2. This is a 10 per cent reduction in total headcount in the year to date.

Workforce profile for Surface, Q2 2018/19

3,138

■ Q2 2017/18
■ Q2 2018/19



The proportion of BAME employees has increased from 22.68 per cent at the end of Q2 2017/18, to 29.90 per cent, continuing the upward trend seen in 2017/18. The proportion of female employees declined slightly, from 31.11 per cent at the end of Q2 2017/18, to 31.04 per cent this year.

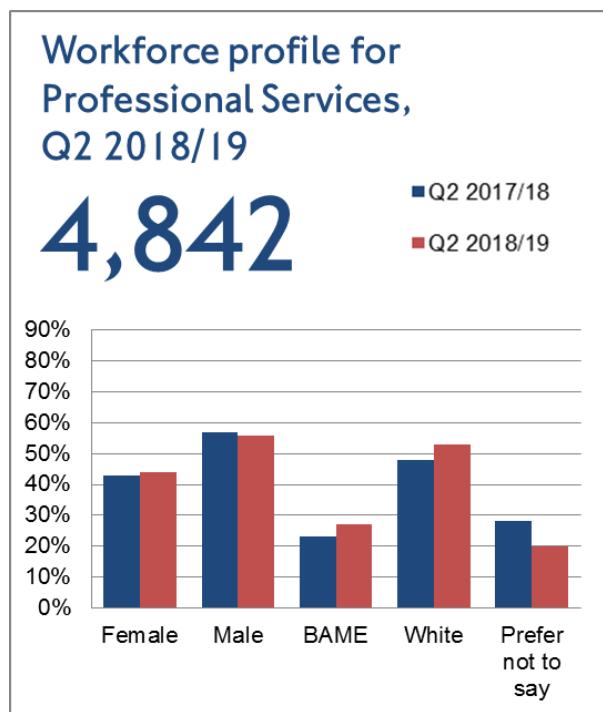
Professional Services

Professional Services comprises functions including General Counsel, Finance, Human Resources, Commercial and Customers, Communication and Technology where services are provided on a shared basis across all delivery divisions.

Total FTEs in Professional Services decreased from 5,002 at the end of 2017/18, to 4,842 in Q2. There was an increase in the proportion of female employees over the past year, increasing from 43.18 per cent at the end of Q2 2017/18, to 43.88 per cent.

The proportion of BAME employees in Professional Services also increased from

22.81 per cent at the end of Q2 2017/18 to 27.04 per cent in Q2 this year.



TfL Senior Manager Staff Composition

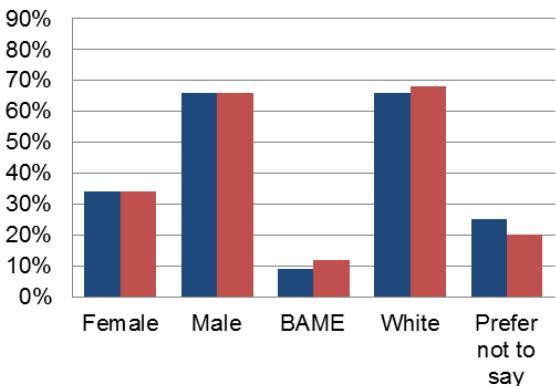
The total number of senior managers has decreased from 1,229 in Q1, to 1,208 at the end of Q2 2018/19.

The proportion of female senior managers has increased from 29.37 per cent at the end of Q1 to 30.38 per cent in Q2. This is up from 26.35 per cent at the end of Q2 2017/18.

The proportion of our senior managers declaring as BAME has increased over the previous year, from 9.62 per cent in Q2 2017/18, to 12.25 per cent in Q2 2018/19.

Workforce Profile for Senior Managers, Q2 2018/19

1,208



TfL Operational Staff Composition

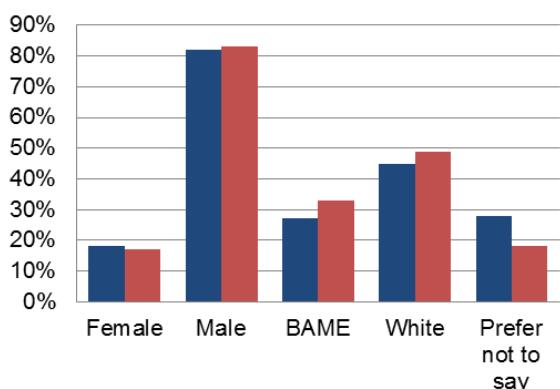
The number of operational employees decreased slightly in the previous quarter, from 14,514 to 14,446. Of these, the proportion of female operational employees increased slightly from 16.83 per cent to 16.86 per cent.

The proportion of BAME operational employees increased significantly, from 32.48 per cent, to 32.71 per cent.

Workforce profile for Operational staff, Q2 2018/19

14,446

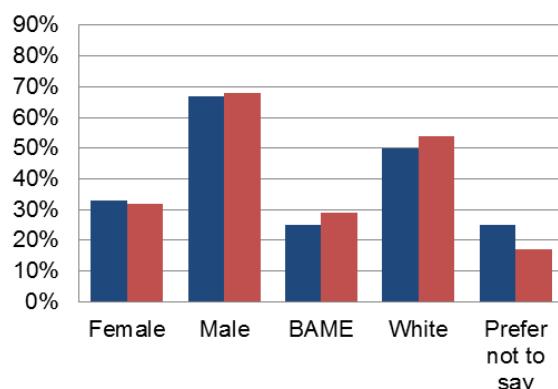
■ Q2 2017/18
■ Q2 2018/19



Workforce profile for non-operational staff, Q2 2018/19

11,264

■ Q2 2017/18
■ Q2 2018/19



TfL Non-Operational Staff Composition

The number of non operational employees has decreased from 11,353 in Q1 to 11,264 in Q2.

The proportion of BAME non operational employees has increased from 27.79 per cent to 28.73 per cent in Q2. The proportion of female non operational employees has decreased slightly in Q2, from 32.38 per cent to 31.83 per cent.

Non Permanent Labour

Non Permanent Labour (NPL) are defined as temporary staff engaged to complete project work or short term assignments.

The use of NPL has continued to decrease in Q2, from 1,337 to 1,271. This represents a 21 per cent reduction in the use of NPL since Q2 2017/18.

Total NPL use has decreased from 3,095 at the start of Q1 2016/17. This has reduced the cost of NPL across TfL by over £3.4m per week.

Total Number of NPL
Q2 2018/19

1,271



It is important that we continue to make use of the flexibility offered by NPL, particularly through this time of change and temporary peaks in demand, e.g. in recruitment resulting from Transformation. It is equally important that we do not close off our ability to hire talent in scarce skills areas.

We will look to balance the cost and use of NPL with our ongoing commitment to our customers and our key role in keeping London moving and growing.



EVERY JOURNEY MATTERS