

# Why should I pay to join PFA when I can get a bolt-on for my HR system for free?

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This is a question which I am now being asked on a daily basis and I hope this document helps set out why PFA is (and needs to be) an absolutely different product to the bolt-ons which exist for so many HR systems, including; Agresso, Northgate, SAP and many others we have been working with. This is exactly the question I asked myself over a year ago when considering what option to commit to for Bristol - and the answer is the reason why I felt that there was a need for the PFA project.

The online appraisal systems provided by some of the HR systems we have encountered to date are, to be fair, comparable to the appraisal module within the PFA software.

The difference is that the appraisal module within the PFA software has been created as a stepping stone to much more powerful and effective tools, knowledge and functionality. The online appraisal tool provided alongside HR systems generally stops there.

## The issue we are trying to solve

At the risk of stating the obvious, UK universities are having to adjust to unprecedented levels of change. Competition for both students and academics on an international scale, tightening budgets and political uncertainty are just some of the issues all of us, irrespective of university 'type' are grappling with today.

All of us would benefit from our staff being more efficient and effective, better at adapting to change and better at understanding (not least in HR) where scarce resources need to be deployed.

As well as the support systems we have traditionally provided, managers and individuals across HE need the tools to make better decisions, respond more quickly, work with each other more closely (even when working remotely) and, wherever possible, have the administration and bureaucracy they face reduced.

Performance management, if delivered effectively, is key to delivering all of this. Those of us who do it properly will be more competitive, save money (or get more for the money we spend), have better motivated staff, understand our staff and their needs better, and more.

**One thing is for sure, however: Implementing an appraisal process, or just putting a paper based system online, is not going to deliver.** For most of us, it is certainly the right first step, a foundation if you like, but universities across the UK and across the world have ambition to (or are already) doing far more than this.

## What is PFA doing then? And won't my HR bolt on do the same thing?

As mentioned above, the online appraisal systems provided by some of the HR systems we have encountered to date are comparable to the appraisal module within the PFA software. The difference is that the appraisal module within the PFA software has been created as a stepping stone to much greater tools and functionality.

Here is a small sample of tools PFA can deliver today which none of the HR bolt-ons we have seen address:

- Create an on-going link and line-of-sight from the very top of the organisation to every member of staff, so individual or team goals can be seen in the context of greater delivery
- Providing the tools for managers and staff so that:
  - goal setting and management becomes an on-going processes, not an annual one
  - learning requirements are considered as on-going activities, not just an annual process
- Integration of goals, behaviours, competencies (including AUA, HERA, VITEA RDF) and performance
- The ability to see your entire team or organisation, and how it is performing, in real-time
- Inherent processes to ensure changes in goals at any level are quickly and effectively communicated and cascaded
- The ability to tweak implementation to ensure cultural fit
- The ability to link project teams into the hierarchy of goals, just as any other team
- The ability to ensure delivery of essential training, behaviours and induction with minimum effort
- The ability to roll out different parts of the system (including whole modules) at different rates in different parts of the university

The list is far longer than this and growing, and the new system provides a platform on which we are developing tools and know-how. We are also introducing processes to deal with a wide range of issues including (and this is only the beginning):

- tools designed to introduce performance management to academic environments.
- workload management in HE.
- linking student survey and other KPIs directly to relevant team and individual goals.
- addressing diversity issues in HE.
- providing legal evidence and support.

Of course, software alone cannot deliver results. PFA sees software as only a part of its remit. An equal amount of time is now being dedicated to knowledge management, sharing of good ideas, collaborative working, implementation support and more.

So...Is a HR system bolt-on right for you? If all you want is online appraisal, maybe. I firmly believe that whilst this might deliver on a single short-term need, it will not offer anywhere near the benefits or the cost savings of working in partnership with PFA.

## Some common myths

### 1. It will be difficult to integrate our existing HR system with PFA

This is absolutely not the case. We have designed PFA to integrate with any of the HR systems currently used by Universities, and we are finding that in the vast majority of cases no support is even required from the HR systems provider.

### 2. My HR bolt-on has cascading goals

A few of the HR bolt-ons do state they offer a method for cascading goals through an organisation. Indeed, with some of these you can cascade goals to an individual, who can then link to these when setting their own objectives.

PFA also offers this as part of the goals module, but sees this functionality as only the first step in linking individual goals to those of the university.

PFA, through the use of its goals module, aims to take this much further. Benefits include:

- Goals, including team goals and, indeed, university goals, can be constantly updated with the system communicating the changes. This is a key benefit in a changing the HE environment.
- The system can be used to ensure individual day-to-day activity is linked to team and university goals.
- Projects involving individuals from different teams can be set up to deliver within the universities goal structure.
- Individuals can feed back on their progress, store notes, add documents and communicate.
- Managers at any level can report in real-time on progress against the goals.
- Individuals are given ownership of goals, and the system prompts to keep them up to date.
- Goals can be linked to live KPI's, triggering review when appropriate.
- Setting and reviewing goals becomes an on-going process, not tied to the appraisal cycle.
- The system prompts users (through a traffic light system) to update progress at key times. In pilots this is leading to fundamental conversations taking place which would otherwise not have happened.

There are far more benefits which, if you are not already trialling goals, I would be happy to talk through. Most importantly, these benefits are being demonstrated to work well in both academic and non-academic environments in HE.

### 3. We already have a learning management system/induction system/online appraisal. PFA is therefore not for us.

PFA is designed to integrate with any of your existing systems. The learning module, for example, whilst capable of delivering some excellent course management functionality, can simply link to your existing course management tool seamlessly. If you already have systems which manage induction, online appraisal,

recruitment or anything else we do, and you are happy with them, great - we can link to those too. In fact, if you prefer, you can simply turn off the PFA Learning module completely - and not pay for it.

PFA is designed so that functionality you have already developed or invested in can be turned off in the PFA system and replaced by your existing systems.

#### **4. PFA is expensive**

We will be publishing more details later this year on PFA costs and value for money. Our research shows that comparable solutions which are not designed for HE (and used internationally, including by many HE colleagues abroad) range from £30 per head to £80 per head per year. We are aiming at under £10 per head for better HE specific solutions! One of our informal objectives was to make replacing current paper based appraisal processes with just the online appraisal module of PFA at least cost neutral in the medium term.

Also, we are working on demonstrating return on investment. We expect the direct and demonstrable cost savings of taking part in PFA to be many, many times the annual licence fee paid.

#### **5. PFA is too complex to introduce across my University**

In some cases I would actually agree IF we were implementing the complete suite of PFA tools across the whole workforce at once. That is why the PFA modules are specifically designed to be introduced at a pace and in parts of your university that suit your needs. The range of implementation paths across current partners varies widely ranging from those planning to gradually roll out online appraisal forms to small parts of the organisation, to those implementing the full suite over a short period of time.

In partnership with PFA colleagues, we are also working to ensure PFA makes available the support and resources that universities require to help them to implement, engage and make the most of the system (even if the first step is just taking paper based forms and putting them online).

Please do contact me if you would like to talk through any of the points raised here in more detail.

Christian.