National Institute for Health and Care Excellence

Board meeting

22 July 2022

Title

Addendum to the integrated performance report: staff turnover and leaver analysis

Purpose of paper

For discussion and information

Board action required

The Board is asked to note the analysis which was requested at the last Board meeting.

Brief summary

Staff turnover has continued to increase during the past 12 months. This paper reviews findings from leaver data and exit interview surveys from four outlier directorates.

Board sponsor

Nicole Gee, Interim Chief People Officer

1.Turnover/Leaver analysis

1. Turnover has increased across NICE over the past 12 months from 9.83% in July 2021 to 11.89% in June 2022. Directorates that have seen a significant rise are:

**Turnover Rates - Outlier Directorates**

|  |  |  |
| --- | --- | --- |
| Directorate | **July 2021** | **June 2022** |
| Comms | 16.67% | 27.73% |
| DIT | 4.31% | 12.64% |
| HS&C | 7.74% | 23.56% |
| P&P | \*24.91% | 19.24% |

\* This figure is taken from January 2022 when the P&P directorate was created on ESR.

1. Data from ESR, leaver forms and exit interview surveys has been investigated to provide further analysis.

Communications

1. Fourteen specialist comms roles were lost during the 12-month period, across bands 5 – 8D. Turnover has remained consistently high since July 2021 and has not dropped below 22% since October 2021. Most leavers within Comms listed reason for leaving as promotion and better reward package. Leavers went on to a variety of roles within other NHS organisations, both non-healthcare public & private organisations and outside the health sector. Two staff left to no further employment and three did not complete this information.
2. Only 57% of leavers completed an exit interview
3. All leavers stated they felt comfortable talking to their manager.
4. A brief benchmarking exercise across similar roles in other NHS or civil service organisations shows that NICE’s Comms roles are paid competitively.
5. Data does not highlight any cause for concern from a BLACK ASIAN MINORITY ETHNIC perspective.

DIT

1. NICE has felt the impact in difficulties to attract and retain IT talent in the current market. DIT’s turnover rose in November 2021 and has continued to increase month on month to date. Nine specialist roles left including Developers and Help Desk support at all levels, contributed to by the recent changes to the DIT helpdesk team.
2. Better reward package was cited as the common cause for leaving. Of the data completed, half went to roles within the private sector outside of healthcare.
3. With only two exit interviews completed within DIT (both of which were from senior roles), it is difficult to provide much insight. This process needs to be promoted within the directorate.
4. Recruitment & Retention premia has been agreed for several roles within IT and new starters have been placed at top of band to try and mitigate salary issues.
5. Data does not highlight any cause for concern from a BLACK ASIAN MINORITY ETHNIC perspective.

Health & Social Care

1. The figures for H&SC can in part be attributed to the management of change and redundancy exercise last year. Turnover rose 1.78% in September 2021 to 9.52% and saw a significant rise in April 2022 to 17.89% . Turnover has continued to rise since then to 20.36% in May and 23.56% in the most recent month June 2022.
2. Within this group the most common factor for leaving was cited as promotion or retirement. Almost half of leavers went on to employment within another NHS organisation
3. All leavers that completed the interview stated they could talk to their manager and that their workload was realistic.
4. Feedback shows that those in lower banded roles felt their skills were not fully utilised within their roles and there was a lack of development support.
5. Exit Interview completion of leavers was poor at 26%.
6. Data does not highlight any cause for concern from a BLACK ASIAN MINORITY ETHNIC perspective.

People & Places

1. People and Places formed part of FST for data purposes in January 2022. Turnover within the directorate has remained high with an average of 19% between January and June 2022.
2. Exit Interview information has been taken from relevant leavers within FST for the period July 2021 to December 2021. Career progression is the main factor given for leaving NICE with a higher salary and low morale quoted as a secondary consideration.
3. All leavers felt they could talk to their manager.
4. All respondents stated they did not feel their skills were fully utilised within their role, that they were capable of much more and/or felt deskilled.
5. Data does not highlight any cause for concern from a BLACK ASIAN MINORITY ETHNIC perspective.
6. 100% of Exit Interviews were completed across the directorate.

Diversity Feedback

**Leavers by Ethnic Origin**

|  |  |
| --- | --- |
| Ethnic Origin | **No. Leavers** |
| BLACK ASIAN MINORITY ETHNIC | 10 |
| Non BLACK ASIAN MINORITY ETHNIC | 85 |
| Not Stated | 8 |

1. Although the raw turnover data does not highlight any potential issues from BLACK ASIAN MINORITY ETHNIC colleagues (the percentage of BLACK ASIAN MINORITY ETHNIC leavers stands at 7.89% of the average BLACK ASIAN MINORITY ETHNIC employee population of the reporting period). Various comments have been made at exit interview regarding a lack of diversity at NICE.
2. Work is being undertaken to help to address some of the concerns around lack of diversity, such as the staff Race Equality Network, the mandatory introduction of BLACK ASIAN MINORITY ETHNIC representatives on interview panels for senior positions and the delivery of diversity and EDI in recruitment training.

Overall Findings

1. Data taken from ESR shows that the most common reasons for leaving NICE were due to promotion outside the organisation or a better reward package.
2. Analysis of exit interview data from all directorates indicates that whilst many positive comments were made of their experience as a NICE employee, there were three common themes throughout. They felt NICE to be overly bureaucratic and hierarchical with a lack of career progression.
3. All respondents stated they had been considering leaving NICE between 3 – 12 months.
4. The above themes were common across all directorates, bands and EDI groups.

External Trends

1. The UK workforce trends makes both retention and recruitment challenging. The workforce trends identified by Glassdoor highlight this below:
* With tough hiring conditions set to continue, workers in the UK will have increased power to negotiate.
* Remote work will boost access to top talent and drive up salaries
* Companies’ commitments on diversity, equity and inclusion will be given an increased focus
* Employees will look for a career and a community, not just a job is currently.
1. Mercer expands on some of these themes in its global talent trends report with its central theme of making organisations relatable. You can download the full report here: <https://www.mercer.com/content/dam/mercer/attachments/private/global-talent-trends/2022/gl-2022-global-talent-trends-report-english.pdf>
2. For NICE, this means that our retention statistics are not an outlier but we do need to have increased focus on identifying, developing and retaining critical talent and not just have a one size fits all approach.