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**TRAC**  
**DEVELOPMENT**  
**GROUP**

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Supporting and understanding  
financial sustainability

# Review of time allocation methods

A study by KPMG for the  
TRAC Development Group

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## 1. Executive summary

# Review of time allocation methods

### Introduction

The aim of this study has been to appraise the different methods of time allocation that have been adopted by the HE sector to fulfil the requirements of the Transparent Approach to Costing (TRAC). The review further aimed to research other time allocation methods that may be appropriate for the sector and consider the issue of 'burden' that such processes are reported to create.

We have undertaken this study on behalf of the Financial Sustainability Strategy Group (FSSG) and the TRAC Development Group (TDG).

This report sets our findings from the study, together with our conclusions and recommendations.

### Approach to the study

The approach to this study has been comprehensive and wide ranging. Summarised below are the principle elements of the review:

- Appraisal of the current TRAC requirements for time allocation;
- Literature review on time recording methods;
- High level research into time allocation methods adopted in other countries;
- Identification of stakeholder requirements for time allocation;
- Survey of the UK Higher Education (HE) sector on time allocation methods and more general research into costing and management information
- Visits to 12 institutions and discussions with a further 2 institutions;
- Consideration of the time allocation results; and
- Appraisal of the burden that time allocation for TRAC is reported to create.

Further detail on the approach adopted is provided in section 2 of this report.

The key observations and recommendations arising from the study are summarised in this section.

### Time allocation methods

- The study has found that the TRAC requirements provide sufficient flexibility in terms of the approaches to time allocation. A 'one size fits all' approach is not realistic or desired by the sector.
- Time allocation approaches are embedded in institutions and the collective commitment of institutions leads to response rates in excess of 75% being achieved.
- Workload planning is a method of time allocation that is gaining in popularity, both for institutions own management purposes and to support TRAC. The approach is unilaterally believed to offer more reliable data, although the approach is not appropriate for all institutions. 18% of institutions surveyed stated that workload planning information will at least form part of their approach to time allocation in the future.
- Approaches to time allocation promulgated in TRAC are in line with other studies into time recording methods. A factor identified from the literature review was that the reliability of the data is influenced by the frequency and period of time over which individuals are reflecting when allocating how they used their time.
- The TRAC approach in the UK is being worked towards in Australia and Ireland. Although our research has been limited, it would appear that no other Country has approaches to time recording that could offer alternatives for the UK to consider.
- The literature review and experience from the study provides a view that the design of a process alone cannot ensure accurate and reliable data. This is due to the influences that exist over human behaviour, which affect how an individual will record their time e.g. wanting to provide a result that is believed to be what a manager wishes to see etc.
- The importance of reasonableness and corroborative checking over the time allocation data is significant. Although TRAC has always required these checks, we have suggested how these can be re-emphasised or improved further.
- 70% of the institutions responding to the survey stated that time information would be collected, even if it were not a TRAC requirement.

## 1. Executive summary

# Review of time allocation methods

### Burden of time allocation

- The review identified that the 'actual' burden created by time allocation is not significant for academic staff (approximately 2 hours per year), but is more significant for the administrative teams (approximately 42 days per year). The estimated cost across the UK Higher Education sector of academic staff complying with time allocation requirements is estimated to be £11m per year (0.1% of total academic salary costs).
- A strongly held view is that the perception of burden amongst academic staff is caused by a lack of clarity as to the purpose and importance of the Time Allocation Survey (TAS) data. An example was cited where timesheets for EC projects, although not necessarily more accurate than time allocation returns, are more accepted as there is a clearer understanding of why these are required.
- A further contributory factor to the views on burden is that the need for this information to be collected every year, when the results are relatively consistent, is not understood or accepted.
- Three steps that were identified as reducing the perception of how burdensome the time allocation process is were: i) where there was strong and open support at a senior level for the processes supporting TRAC; ii) where institutions have embedded elements of the TRAC data in the day-to-day running of the Institution; and iii) local support for the process e.g. Dean / Head of Department.

### Management information and use of TRAC

- The visits to institutions identified that there is a general acceptance that management information needs are changing in institutions and that more detailed cost information is likely to grow in importance. We did however note that the circumstances of institutions naturally influence the pace and urgency with which these developments take place. We would therefore anticipate that this agenda will continue to evolve.
- Broader use of the TRAC information more commonly involved using the data to corroborate other information, although examples of the data being used in course costing and resource allocation we found. Some institutions were also clear that TRAC was a necessity for understanding the costs of teaching and research.
- TRAC and fEC data is very important to the Funding and Research Councils in the UK (RCUK). The data is used by the English and Scottish funding councils in their teaching funding methodologies. It also forms the basis for costing RCUK grant applications.

# Review of time allocation methods

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### Conclusions

- Time allocation methods permitted by the TRAC guidance are appropriate, but greater emphasis needs to be placed on the implementation and communication of these methods to optimise their success.
- The importance of TRAC and time allocation is increasing through the further use of the TRAC for Teaching data by the Scottish and English Funding Councils. This is in addition to the continued importance of the processes to RCUK. For these reasons the sector needs to acknowledge and take greater ownership for providing data that is less susceptible to being discredited.
- The interaction of human behaviour with any process means that no single process can ensure reliable time data is captured. The process needs to be supported by strong and proactive communication, senior sponsorship and clear sense and understanding of the purpose for which the information is being collected.
- The use of TRAC will be greatly assisted by the sector having greater clarity about the future need and purpose of TRAC. This and a number of the recommendations made in this report can be most effectively implemented following the outcome of the HEFCE Review of TRAC.
- The importance of a communication plan to support the staff time allocation process and TRAC is equal to the design and implementation of the time allocation process itself.
- There are potential opportunities to streamline the time allocation requirements and recommendations have been identified to implement these.

The recommendations are summarised on the following pages with the aim of enhancing the reliability of the time allocation process and streamlining the process in certain areas.

# Review of time allocation methods

### Summary of recommendations

#### *Enhancing the approach to time allocation*

1. The current approaches to time allocation recognised by the TRAC guidance should be maintained. The TDG, as custodian of the TRAC Guidance, should consider whether to tighten the requirements for the non-statistical in-year retrospective time allocation method, such that that period that individuals can be looking backwards to report how they spent their time, is shorter than the six months currently permitted by the TRAC guidance.
2. Work should be undertaken to review the minimum required response rate for in-year non-statistical time allocation methods. As part of this review, a maximum required threshold could also be identified as a way of reducing the burden on the sector.
3. Given that a number of institutions are at a developmental stage with adapting workload plans to meet TRAC requirements, consideration should be given to developing a practical example of how workload planning models can be aligned with TRAC requirements to enable an element of consistency in the practices to be adopted. Moving forwards it may be appropriate to assess the variations in the standard allocations of time that are given in some workload allocation models (commonly referred to as 'tariffs') to appraise whether TRAC guidance needs to provide some accepted parameters for different tariffs.
4. The automation of the time allocation process should be promoted as a way of reducing the administrative burden and scope for data error.
5. A recent study into the appropriateness of TRAC for informing Clinical Subject Weightings recommended that reasonableness checks should be carried out by both academic and finance staff. This provides a level of corroboration of the information.

Our findings also support the need for enhanced and rigorous validation of the time allocation results, therefore this recommendation is supported. Although this is a reinforcement of an existing requirement, TDG should consider promoting the recommendation made in the Clinical Subject Weightings report and work with the TRAC Self Help Groups to provide some practical examples of how institutions could implement the recommendation to enhance the credibility of the time allocation data.

#### *Communication*

6. Following the conclusion of the HEFCE Review of TRAC there should be a clear communication to the sector regarding the purpose and need for TRAC to alleviate the uncertainties that exist at present. Funders should remind the relevant institutions of their expectations for reliable TRAC and time allocation data, given the assurance that is required by Government regarding the efficient and appropriate use of funds. It is important that the sector understands that there is a risk of more punitive requirements being imposed on it if the reported credibility of the TRAC and time allocation data does not improve.
7. A more structured programme of communication with academic staff should be encouraged as a way of increasing the understanding of the purpose of TRAC and time allocation together with the relationship between the time allocation information and income flows to the institution.
8. Consideration could be given to reminding the sector of the option for only collecting time allocation information every three years, in order to potentially reduce the burden of the process. It is however important to balance this gain against the additional time that may be taken to reacquaint people with a process that is operated less frequently. There is also a risk that this method could reduce the validity and acceptance of the data internally, which could affect the utility of the TRAC data.

### Review of time allocation

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#### *Improved management information*

9. TDG may wish to consider whether it or another sector body could provide some practical guidance and/or workshops to illustrate how TRAC data can be used for other management purposes.
10. Following the representations that have already been made to the sector regarding the benefits of utilising TRAC data for other purposes, as a basis for enhancing the reliability of the data, we found that there has not been a consistent interpretation of these messages. There are some views that the messages given to the sector regarding the need to use TRAC more broadly are implying that the data set can become the central source of management information, which is not what was intended. Given that this may be discouraging institutions from using TRAC more broadly, TDG should consider providing further clarification, supported by examples, of how TRAC data can be used for other purposes.

#### *TDG representations to the HEFCE Review of TRAC*

11. Institutions' routine management information follows categorisations of activity that are different to those required by TRAC. Work is also being undertaken by the Higher Education Statistics Agency (HESA) to appraise its data collection requirements. Therefore TDG should consider consulting with HESA regarding any changes to the data collections it will make in the future to consider whether there is scope to more closely align the time allocation categories with HESA and/or other categories of activity that more closely mirror the categories of activity that are of greater interest to institutions. On conclusion of these investigations, consideration should be given to making representations to the HEFCE Review of TRAC to promote the redesign of the time allocation categories to be more closely aligned to institutional and/or other external (e.g. HESA) data reporting requirements.
12. The use of TRAC and fEC by Funders has evolved over time. Therefore the criteria for institutions being eligible for applying the dispensation requirement should be reconsidered.

## 2. Background and approach

### The aim of this study

#### Background

The HE sector incurred £14.6bn in staff costs during 2009/10, representing 56.6% of total expenditure in the sector. Academic staff costs accounted for £8.1bn (31.5% of total expenditure and 55.6% of staff costs). Not only are staff a substantial cost to the sector, more importantly they are the single greatest asset. As such it is important that the benefit that these staff provide to the activities of institutions is, among other measures, appropriately recognised and understood in cost terms.

The Transparent Approach to Costing (TRAC) was implemented progressively in the sector from 1999/2000 as part of the Government's Transparency review. The TRAC process was the first sector-wide approach that sought to identify the full cost of key activities in institutions. Naturally a significant element of the process has been to gain an understanding of how academic staff spend their time across the core activities of Teaching, Research and Other activities.

The TRAC process evolved in 2004 with the introduction of 'full economic costing' (fEC), following the Office of Science and Technology's review and reform of the 'Dual Support System' for research. The reforms to the Dual Support system resulted in over £1bn per annum in additional funding for research.

Following the embedding of Full Economic Costing in 2005, the Research Councils undertook a programme of assurance work to appraise the extent to which a sample of 50 institutions were complying with the TRAC and Full Economic Costing requirements (Quality Assurance and Validation of TRAC - QAV). This programme identified a number of issues in respect of the time allocation methods.

Following the QAV work the Financial Sustainability Strategy Group (FSSG) and the TRAC Development Group have worked with the sector to assist and encourage institutions to broaden the use of TRAC and other management information, as part of the sustainability agenda. This work has provided a basis for continuing to refine the time allocation process and data.

During its work the TDG and RCUK have become aware that the time allocation data remains an area of debate and scepticism, which can reduce the credibility of the TRAC data.

In light of the importance of robust time allocation data being used in institutions' TRAC models and in management information more generally, TDG agreed to undertake a review to appraise the time allocation methods in use and appraise their advantages and disadvantages with a view to making a recommendation/endorsement of the most appropriate methods for the TRAC guidance to recognise.

#### Aim of the study

The aim of this study has been to review the design and implementation of the requirements within the Transparent Approach to Costing (TRAC) for Higher Education institutions to collect data on the allocation of academic staff time.

The specific terms of reference for this review were:

- to review previous assessments and reviews of time allocation methods;
- to identify key stakeholder (institutions and funders) requirements for time allocation;
- to analyse and review the time allocation data returned in the 2009-10 TRAC returns to understand the extent of variability in the data reported;
- to obtain information from RCUK regarding current findings on time allocation from their Funding Assurance visits;
- to conduct a survey across the HE sector to collate information regarding the time allocation methods used, the perceived strengths and weaknesses of the chosen approach and the decisions taken in respect of adopting key elements of Update 4 in respect of time allocation approaches;
- to research informally the approaches adopted by universities in other countries for time allocation; and



## 2. Background and approach

### The aim and approach to this study

- to undertake a number of visits to a sample of institutions to understand:
  - i. what information they require for purposes other than TRAC;
  - ii. their time allocation process;
  - iii. any issues or difficulties that the institution has to overcome with the process;
  - iv. what steps were taken / required to secure the buy-in of academic staff to the process; and
  - v. what other approaches the institutions use to monitor and appraise the deployment of its academic staff.

#### HEFCE Review of TRAC

The review has also coincided with a Review of TRAC by HEFCE, in response to the HE White Paper issued in June 2011; 'Students at the Heart of the System'. TDG has therefore liaised with the group overseeing the HEFCE review in order for this report to meet a number of their requirements and reduce any repetition and duplication for the sector.

#### KPMG and TRAC

The review of time allocation methods has been undertaken by KPMG who provide the TRAC Support Unit to the sector, on behalf of TDG. We have a long standing association with the TRAC and fEC processes, having led the two previous quality assurance and QAV exercises in addition to working with a wide range of institutions on these issues.

Beyond TRAC we also work with over 85 institutions providing a variety of Audit, Tax and Advisory services including course costing and workload planning. As such, we have wide experience of the issues related to this study.

#### Approach

The approach to this study is summarised on the following page:

#### Report structure

The report is structured into five sections including the executive summary and this section. A summary of the key findings and recommendations is provided at the end of each section. The remaining sections of the report are structured as follows:

**3. Research findings** – These subsections provide details of our findings from the following stages of the study:

- Overview of TRAC Time allocation requirements;
- Review of literature;
- Stakeholder requirements for time allocation;
- Results of our institutional survey;
- Findings from institutional visits; and
- Analysis of the TAS data.

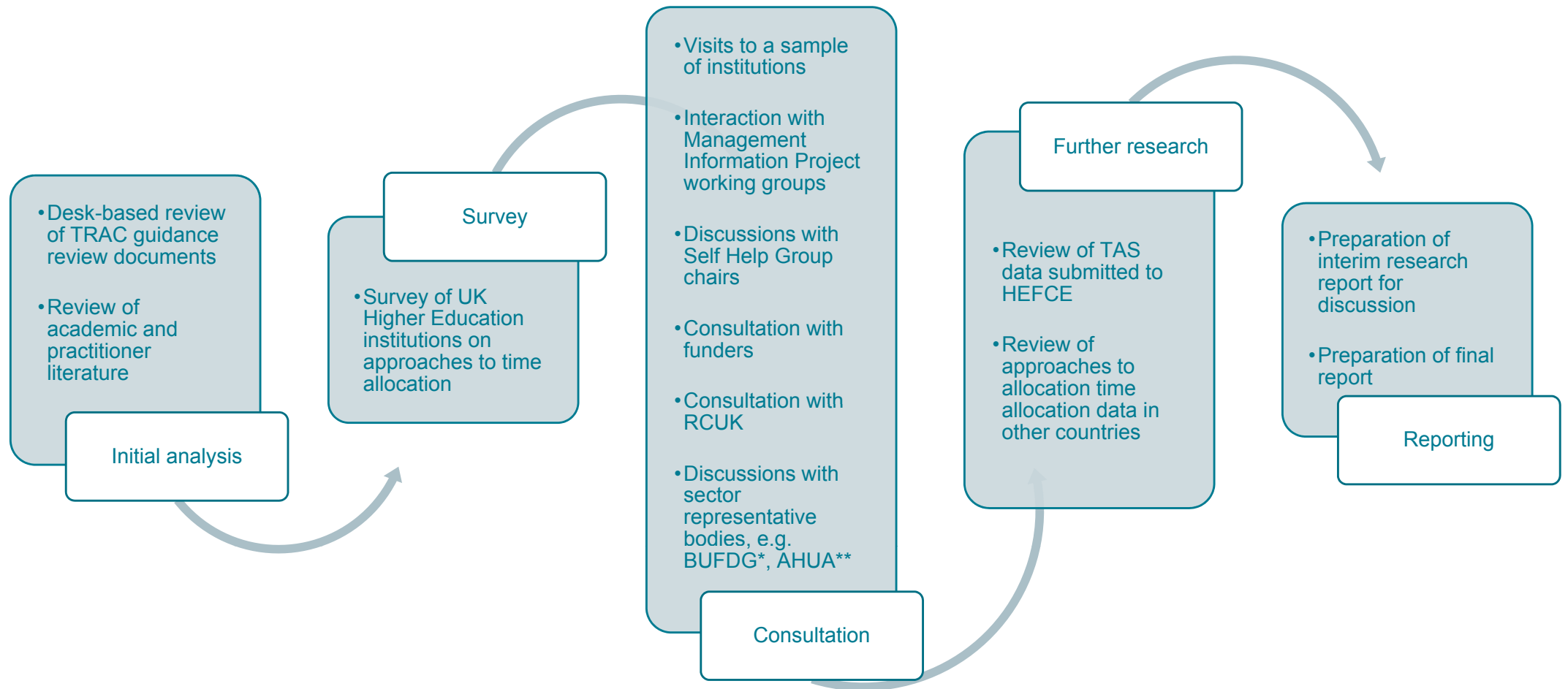
**4. The burden of time allocation** – This section brings together and reflects on the evidence gathered in respect of the burden that is reportedly created by time allocation in the sector.

**5. Evaluation of time allocation methods** – This section draws on the evidence gathered during the review to summarise and evaluate the principle approaches to time allocation.

## 2. Background and approach

### Our approach to the study

We set out here a summary of our approach to this study. This approach is linked closely to the individual elements of the terms of reference and has allowed each stage of the study to inform the later elements of our work.



\* - British Universities Finance Directors Group. \*\* - Association of Heads of University Administration

## 3. Research findings

### 3.1 Overview of TRAC Time allocation requirements

#### An introduction to TRAC

The Transparent Approach to Costing (TRAC) is the methodology used by Higher Education institutions across the United Kingdom to measure and report the cost and income of their teaching, research and other activities.

TRAC is a methodology that is built around a number of principles, as follows:

- Materiality
- Fair and reasonably stated
- Flexibility and choice
- Consistency of costing treatment
- Auditability

This principles-led approach enables the methodology to be flexible such that it can be applied by all different types of institution.

#### TRAC and time allocation

As Higher Education is a people-centred endeavour, the allocation of academic staff time across different activities is a key driver of their respective cost. Consequently, securing robust measurement of academic staff time allocation is a key principle of TRAC and plays a significant role in institutions' TRAC and other related activities.

#### How time allocation works

The TRAC guidance requires that the costs of academic staff should be attributed to activities on the basis of time allocation records.

This guidance defines the different types of activity, with the principal categories being teaching (T), research (R), other (O) and support (S).

The TRAC guidance allows for three different approaches to measuring staff time allocation:

- **in-year retrospective approaches**, in which individual members of academic staff (or a statistically representative sample) complete three or more time allocation schedules, covering a year, every three years;
- **diary approaches**, in which members of academic staff complete a number of weekly time-allocation diaries on a statistical basis; and
- **other approaches**, such as workload planning models, structured interviews or workshops with members of academic staff.

Currently the TRAC requirements for an in-year retrospective approach to time allocation permits a minimum of three returns per year (each looking back at four months) and permit these to be submitted up to two months after the close of the collection period. This means people can be reflecting on their activities over six months ago.

While the definitions within the TRAC guidance of what constitutes a robust approach to time allocation are specific, institutions are given an element of flexibility in how they respond to these requirements. This is in acknowledgement of the fact that a 'one size fits all' approach would be inappropriate given the diverse nature and size of institutions across the sector.

That said, the time allocation process is a considerable undertaking for institutions, so it is important that the TRAC guidance promotes and facilitates a robust, efficient and proportionate approach to collecting the required data.

One aspect of the TRAC requirements is that a 75% response rate is achieved where a non-statistical approach to in-year retrospective time allocation is followed. We were unable to ascertain the rationale for the 75% being determined as the minimum requirement. Therefore in terms of identifying an option for simplifying the requirement, further work could be undertaken to validate or otherwise determine what the minimum acceptable response rate should be.

### 3. Research findings

## 3.2 Review of literature

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### Introduction

Time recording systems are used extensively in many other sectors. Therefore, we have reviewed the following practitioner and academic literature on time recording in order to ascertain further insight that could be used in the study:

- JM Consulting (2008) TRAC methods for the allocation of academic staff time, a paper for TRAC Development Group.
- JM Consulting (2009) Academic staff time (Discussion Paper), a paper for the TRAC Development Group.
- Gross, Daniel (1984) Time allocation: a tool for the study of cultural behaviour, Ann. Rev. Anthropol., 1984, 13, 519-58.
- Juster, F. Thomas and Frank Stafford (1991) The allocation of time: empirical findings, behavioural models and problems of measurement, Journal of Economic Literature, Vol. 29, June 1991, 471-522.
- Milem, Jeffrey et al. (2000) Faculty time allocation: a study of change over twenty years, Journal of Higher Education, Vol. 71, No. 4, 454-475.
- Link, Albert et al. (2008) A time allocation study of university faculty, Economics of Education Review, 27, 363-374.
- Barry Brown, (2001) Representing time: The humble timesheet as a representation and some details of its completion and use, Ethnographic Studies: Issue No. 6 (November 2001),

The academic literature is broadly supportive of the approaches to time allocation that are embedded in TRAC. We set out on the following pages the key findings from our review of the above.

### 3. Research findings

## 3.2 Review of literature

Literature reviews	Key findings
<p>JM Consulting (2008) <u>TRAC methods for the allocation of academic staff time</u>, TRAC Development Group.</p>	<p>Time allocation methods must be consistent with the TRAC principles of materiality, fair and reasonably stated, flexibility and choice, consistency, auditability, and clear definitions of activities.</p> <p>Time allocation must be 'real', in that it is not subject to accusations of bias due to poor recall or potential for manipulation. This is why annual retrospective time allocation was dropped as the minimum acceptable approach.</p> <p>Institutions are starting to use time allocation data internally, which has influenced their approaches to data collection, for example collecting data on an annual cycle rather than over three years.</p> <p>The paper identifies several issues with previous requirements of TRAC time allocation, principally the inherent difficulty in differentiating between general scholarly activity and research, and the difficulty in capturing robust data in an environment in which academics work long hours and on activity not necessarily managed by their institution.</p>
<p>JM Consulting (2009) <u>Academic staff time (Discussion Paper)</u>, TRAC Development Group.</p>	<p>The paper identifies several issues with previous requirements of TRAC time allocation, including:</p> <ul style="list-style-type: none"><li>• taking into account hours worked by academics beyond the assumed 'standard' hours;</li><li>• dealing with research undertaken to support teaching; and</li><li>• responding to concerns among institutions and funders about the robustness of time allocation data.</li></ul> <p><i>The TDG took action following this paper to amend the TRAC requirements and promote the use of work load planning, where appropriate.</i></p>

### 3. Research findings

## 3.2 Review of literature

Literature reviews	Key findings	Comparison / observations on how TRAC requirements compare
<p>Gross, Daniel (1984) <u>Time allocation: a tool for the study of cultural behaviour</u>, Ann. Rev. Anthropol., 1984, 13, 519-58.</p>	<p>Time allocation provides primary data on the behavioural ‘output’ of decisions, preferences and attitudes. Important factors in measuring time allocation are the granularity and specificity of the data, i.e. the units of time measured and the descriptions of activities used.</p> <p>When a direct observational approach is applied, the perceptions of the observer can influence the results. ‘Spot check’ observation of a sample of people at different times on different days can be better than continuous observation.</p> <p>Key issues in designing successful time allocation studies are:</p> <ul style="list-style-type: none"> <li>• sampling – the sampling universe, sample units, observation interval, sample duration, sample frequency;</li> <li>• coding of activities – coding rules, code definitions; and</li> <li>• access – direct / indirect observation, privacy, ethics.</li> </ul> <p>Time allocation studies rely on information supplied by the subjects themselves. Diaries using time-slots encourage participants to forget or omit short episodes of behaviour and to misreport the beginning and end times of activities.</p> <p>Retrospective surveys raise issues around the accuracy of participants’ recollections. Inaccuracy of some form in up to half of reported data is likely. Truthfulness of responses can also be a problem as participants may record what they think they should be doing rather than what they actually do. They may also omit some activities, raising issues around consistency of reporting between participants.</p>	<p>The TRAC requirements for time allocation have many similarities to the findings from this research. A brief summary of the comparisons is as follows:</p> <ul style="list-style-type: none"> <li>• TRAC requirements provide a framework for institutions to define the time collection period, with a minimum requirement of three collections in a year, with a time limit of the completion of the returns after the close of the collection period. This research supports the view that the retrospective nature of returns can affect their accuracy.</li> <li>• The TRAC process does not rule out, but does not explicitly encourage direct observation as a basis for collecting the data, as this is impractical.</li> <li>• The research acknowledges the inherent difficulties in capturing accurate information where the information is collected retrospectively. This is a current concern that has been raised about the current TRAC method.</li> <li>• TRAC requirements do permit the use of diaries and more ‘current’ methods of data recording, but these are not widely used.</li> </ul>

### 3. Research findings

## 3.2 Review of literature

Literature reviews	Key findings	Comparison / observations on how TRAC requirements compare
<p>Juster, F. Thomas and Frank Stafford (1991) <u>The allocation of time: empirical findings, behavioural models and problems of measurement</u>, Journal of Economic Literature, Vol. 29, June 1991, 471-522.</p>	<p>The most effective approach to time allocation studies is the use of time diaries, administered to a sample of individuals across the population of interest and organised in such a way as to provide a probability sample of all types of days and of periods of the year. Time diaries are usually retrospective for 24 hour periods, using a range of standard activity codes.</p> <p>Measurement issues identified include:</p> <ul style="list-style-type: none"> <li>• a diary instrument is the only valid measure of time use;</li> <li>• diaries have limitations in respect of multiple simultaneous activities;</li> <li>• participants may have poor recollection of activities undertaken, especially over longer periods;</li> <li>• a 24 hour time period for a time diary gives the optimum results;</li> <li>• enquiring about time spent on one particular activity often results in exaggeration; and</li> <li>• subjects typically respond with their schedules working hours – time diaries are usually more reflective of how they actually spend their time.</li> </ul>	<p>This study strongly supports the use of diaries on a statistical basis, as being the most representative way of collecting time information. This is a method that is directly supported and detailed in the TRAC guidance.</p> <p>However, a factor that can distort this process is whether the diary sheets are actually completed at the end of each day. Institutions would have no way of enforcing this and indeed would not wish to. Therefore, there will always be the chance that even diary sheets could be completed in a retrospective manner, which could affect the accuracy of the information.</p>
<p>Milem, Jeffrey et al. (2000) <u>Faculty time allocation: a study of change over twenty years</u>, Journal of Higher Education, Vol. 71, No. 4, 454-475.</p>	<p>The paper uses existing theory and research on issues of institutional stratification to examine changes in the amounts of time that faculty members in US universities spend engaged in teaching, advising and research activities at the institutional level over a twenty year period. It highlights a number of trends but does not offer any insight into approaches to the measurement of staff time allocation.</p>	<p>-</p>

### 3. Research findings

## 3.2 Review of literature

Literature reviews	Key findings	Comparison / observations on how TRAC requirements compare
<p>Link, Albert et al. (2008) <u>A time allocation study of university faculty</u>, Economics of Education Review, 27, 363-374.</p>	<p>This paper investigates the allocation of time across academic activities among faculty members at top US universities.</p> <p>Tenure and promotion affect the allocation of time, with professors spending increasing amounts of time on university service at the expense of teaching and research, while longer-term associate professors spend significantly more time on teaching at the expense of research. Female faculty spend, on average, more time on university service and less time on research than their male colleagues.</p> <p>Data was taken from the National Science Foundation / US Department of Energy Survey of Academic Researchers. An alternative dataset is the US Department of Education's National Survey of Post-Secondary Faculty.</p>	<p>TRAC requires data returns from all academic staff where they are not wholly dedicated to a single activity.</p>



### 3. Research findings

## 3.2 Review of literature

Literature reviews	Key findings	Comparison / observations on how TRAC requirements compare
<p>Barry Brown (2001) <u>Representing time: The humble timesheet as a representation and some details of its completion and use</u>, Ethnographic Studies: Issue No. 6 (November 2001)</p>	<p>This paper investigates the practice of 'representation' through conducting an ethnographic study, observing timesheet practices in a large British oil company.</p> <p>The study reflects that in completing a timesheet there can be a tendency to question what activity can and cannot be recorded on the timesheet, therefore creating some bias in the data reported. It found that where timesheets were subject to line manager scrutiny, this created a behaviour of presenting data that would be expected, rather than what was actually worked. This then extended to whether timesheets for different periods appeared consistent. Taken together the study argues that the timesheets were not a verbatim representation of actual work completed.</p> <p>The study identified that computerisation of the process provided more control over how and where time was recorded, which was important as in the case studies, the timesheets generated charges that were then levied to clients. The process incorporated work from accountants to establish the accuracy and reasonableness of the data, and the data was further corroborated to other data sets. The study also identified that the reliability of the data decreases if it is not updated regularly.</p> <p>An interpretation of the findings above is that a timesheet process, although providing a granular representation of how time was spent, is susceptible to being a record of what individuals believe they should or can report. Therefore validation checks and corroboration to other information were required to increase the reliability of the data.</p>	<p>TRAC does not rule out the use of timesheets, but neither does it promote their use, as such a process has not been generally accepted as appropriate for or acceptable to the sector.</p> <p>The stages involved in arriving at an accepted record are comparable to the time allocation processes promulgated in TRAC in that there is a need for the data to be reviewed for reasonableness and for it to be updated within a certain timescale, albeit that the timescales for some methods in TRAC permit a retrospective report which can look backwards up to a six month period.</p>

## 3. Research findings

### 3.3 Stakeholder requirements for time allocation

#### Introduction

The HE Funding Councils and the UK Research Councils are important stakeholders in TRAC and therefore time allocation process, given the funding and other decisions that the information informs. We also identified a small number of sector interest groups that are also interested in the time allocation methods used in TRAC. In addition we have identified the current European Commission (EC) requirements for time recording moving forwards, albeit that these processes do not have to be aligned with the TRAC process.

For these reasons we have discussed with each body their requirements and priorities for time allocation in institutions. This section details the outcomes of these consultations.

#### Research Councils UK

Research Councils UK (RCUK) distributes a significant amount of funding to institutions based on their FEC process, which is based on TRAC. As such there is a significant interest in the validity and reliability of the TRAC and time allocation information.

The HE White Paper, 'Students at the Heart of the System', acknowledged that although HEFCE should consult with the sector on streamlining the TRAC process, it must remain available as a benchmark to inform research funding.

Our discussions with a representative from RCUK found that the overriding priority in respect of time allocation information is that it is robust and reliable to the extent that it is not dismissed by institutions, as it is such a significant part of the TRAC and FEC model. The current scenario where there are some parts of the sector openly dismissing the reliability of time allocation information could be damaging for the sector, given the funding decisions that are based on it.

It is important that time allocation processes provide a degree of consistency across the sector and are auditable, with the appropriate audit trails.

#### Higher Education Funding Council for England

The Higher Education Funding Council for England (HEFCE) has provided significant support and cooperative leadership to TRAC since its inception. The TRAC returns form part of its assurance requirements and TRAC (T) information has been used over time to inform the Teaching funding levels.

The Review of TRAC is currently ongoing and the outcomes of this cannot be pre-empted. However, the Consultation on Teaching funding arrangements for 2013/14 onwards (circular 2012/04 - <http://www.hefce.ac.uk/pubs/year/2012/201204/>) makes a number of proposals to utilise TRAC (T) information from prior periods to inform funding levels. The consultation also outlines that HEFCE considers that some modifications to the TRAC (T) method could provide a sustainable funding model moving forwards. Clearly such decisions are dependant on the outcome of consultation, but if carried through this could more closely align the needs and interests of HEFCE with those of RCUK given the more direct link from TRAC (T) to funding, in terms of requiring a TRAC process, and therefore time allocation data that is robust, reliable and deemed credible by institutions. There may also be a requirement for the process to have an element of auditability, although there are no such proposals made at this stage.

Interestingly the RCUK interest is more concentrated on the more Research Intensive institutions, whereas the interests of HEFCE may relate to other types of institution.

## 3. Research findings

### 3.3 Stakeholder requirements for time allocation

#### Scottish Funding Council

The Scottish Funding Council (SFC) has required its institutions to return TRAC and TRAC (T) returns for a number of years. The TRAC (T) information has been of interest for some time and the funding method for 2012-13 outlines that six new price bands were developed, based in TRAC (T) information. There is therefore increased importance in the robustness and reliability of this information.

Discussions with a representative for the SFC identified the importance of reliable and consistent data that is fit-for-purpose. The SFC is also supportive of reducing burden, where appropriate and possible.

#### Higher Education Funding Council for Wales

The Higher Education Funding Council for Wales (HEFCW) has also participated in the TRAC agenda and all Welsh institutions complete TRAC returns. Although the funding model in Wales does not utilise TRAC data, the Council is nevertheless supporting of the TRAC process.

Our contact with a representative of HEFCW has identified that they support a time allocation process that provides a single system for institutions to meet internal management information and TRAC needs. The data collected should be reliable and trusted by institutions and any variation in the data reported should be understood and justifiable, if queried.

#### European Commission requirements for time recording

The European Commission (EC) currently require time records to be kept for Framework Programme 7 to support the allocation of time to projects and to calculate the average productive hours for personnel delivering project activity. Example timesheets were provided by the EC to illustrate this requirement which were adopted by many institutions as best practice. This affects a number of institutions at present.

Moving into the next programme, Horizon 2020, from 2014 onwards it is expected that similar requirements will remain, with the exception that time recording requirements could be relaxed for personnel working 100% on projects. The detailed requirements have not however been published at this stage. As such, irrespective of the time allocation requirements for TRAC, relevant institutions will be required to fulfil EC requirements for time recording.

#### Sector interest groups

As part of the review we also invited comments from the British Universities Finance Directors Group (BUFDG) and the Association of Heads of University Administration (AHUA). The outcome from these discussions is summarised below:

- Greater clarity is required across the sector on or about the purpose of TRAC as it is now unclear, and this is likely to be working against the agenda for extending the reliability and use of the information;
- There is not a consistent view/acceptance that TRAC is needed to provide management information and understanding of teaching costs. *Note: This comment was made prior to the release of the HEFCE Consultation of Teaching Funding;*
- There is support for TRAC and time allocation requirements being primarily structured to meet institution needs in the first instance;
- One of the groups was unconvinced that the time data varied enough year-on-year to justify the necessity for the data to be collected (in some institutions) on an annual basis;
- It is important to recognise that the Higher Education sector is output focussed due to the nature of its work, rather than input focussed. This will be a factor that could influence behaviour towards time allocation processes;
- Workload planning is recognised as an alternative approach to time allocation, but this is only appropriate for some and not all institutions; and

### 3. Research findings

## 3.3 Stakeholder requirements for time allocation

- In some cases the judgement of Heads of Department are used in costing models to inform the apportionment of time between primary activities. One group was attracted to this approach as it reduced burden and provided a basis for a judgement to be made about the extent to which Research delivers benefit to teaching, which is otherwise difficult to achieve in a time allocation model.

#### Summary

Summarised below are the key observations from the interactions with stakeholders:

- TRAC and time allocation data as part of this are important to RCUK for funding Research and are growing in importance to HEFCE and SFC, given the shift in the basis for Teaching funding;
- All stakeholders require time allocation information to be robust and reliable such that it is not dismissed by institutions;
- RCUK and potentially other bodies in the future require the process to have appropriate audit trails and be auditable;
- There needs to be some consistency in the time allocation processes adopted across the sector such that the time allocation results can be comparable and fairly used;
- The developments in the teaching funding methodology in Scotland, and England, subject to the consultation on the methodology, broaden the direct relevance of TRAC from just the more research intensive institutions;

- Pending the outcome of the Review of TRAC, there is a need to communicate with the sector to clarify the need and purpose of TRAC, to promote greater buy-in and acceptance;
- There is support for aligning TRAC and time allocation requirements with institutions own management information systems, where possible;
- There is some uncertainty as to whether the need for (in some cases) annual collection of time data, given the relative consistency in the data;
- Workload planning, although accepted as a positive development for some institutions, is not an appropriate process for all institutions; and
- There is speculation that an alternative approach to time allocation could be to utilise Head of Department's judgement on the apportionment of staff time between activity categories.

### 3. Research findings

## 3.4 Results of our institutional survey

### Introduction

As part of our approach into this study and in order to gain a better understanding of how individual institutions have approached the TRAC requirement to collect robust data on academic staff time allocation, we designed and undertook an online survey of all United Kingdom Higher Education institutions.

### About the survey

The survey itself was quite detailed in terms of trying to draw out key information relating to:

- **Approaches to time allocation** – see 3.4.1
- **Success of current approaches to time allocation** – see 3.4.2
- **Views on the requirements for time allocation** – see 3.4.3
- **How institutions use time allocation data** – see 3.4.4
- **Understanding the burden of time allocation** – see 3.4.5

Each of these is considered in turn within this section of the report.

The survey closed on 16 January 2012 and a 50% response rate (82 institutions) has been achieved. The survey ran around the time when institutions were compiling their TRAC returns, which may have affected the level of response received.

We then undertook more detailed analysis of all the responses received and followed up any 'outliers' within the responses before collating the full set of results.

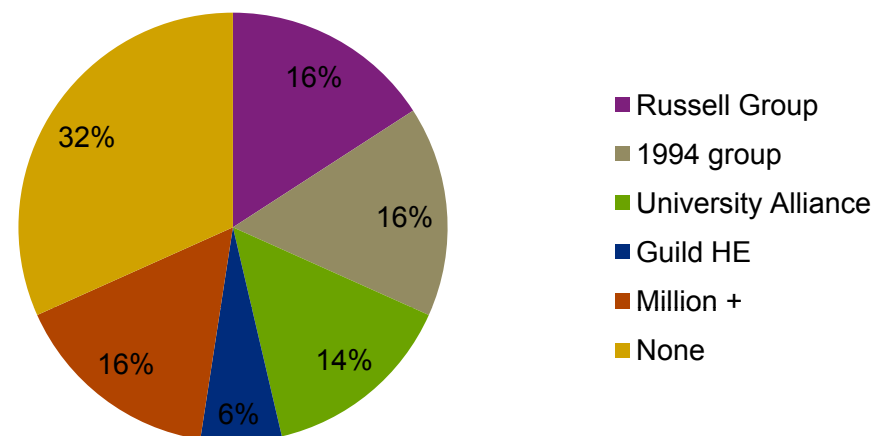
We set out on the following pages the final results from our survey. The bar charts and histograms show absolute numbers of responses while the pie charts show proportions.

### Who completed the survey?

We have provided some context in this sub section to illustrate the types of institution responding to the survey to show that the responses represent an equal cross section of the HE sector. Of the 82 institutions responding three institutions are currently applying a dispensation from certain TRAC requirements. Given the small number of dispensation institutions responding we do not believe that the responses have skewed the results and as such have not excluded them from the survey.

Institutions can generally be aligned to a 'mission group' in the sector, although there are some institutions that are not members of any of these groups. These are groups of institutions that have common aims and purpose. The chart below analyses the institutions participating in the survey by their respective mission group.

Analysis of responses by Mission Group



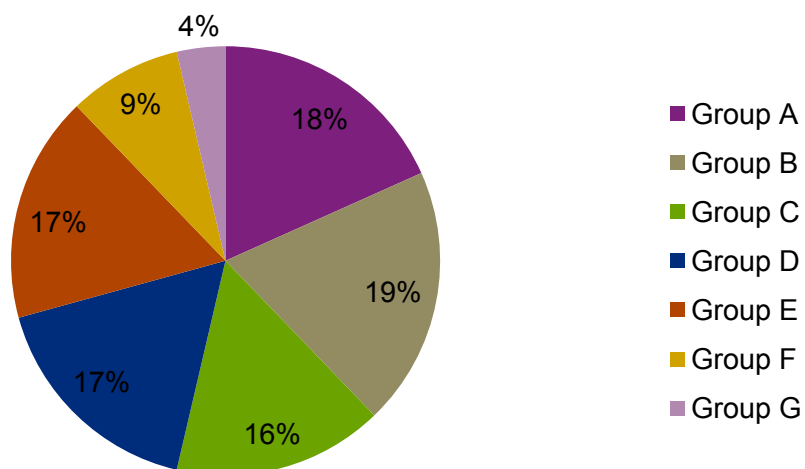
The chart above shows that when analysed by mission group, the responses to the survey provide a good representation of different parts of the sector.

### 3. Research findings

## 3.4 Results of our institutional survey

In addition to institutions being aligned to various mission groups, for TRAC purposes each institution is allocated to a 'peer group'. These peer groups are based on the type of institution. Further details are provided in section 3.7 regarding these groupings. The chart below further analyses the responses received by peer group:

**Analysis of responses by TRAC Peer Group**

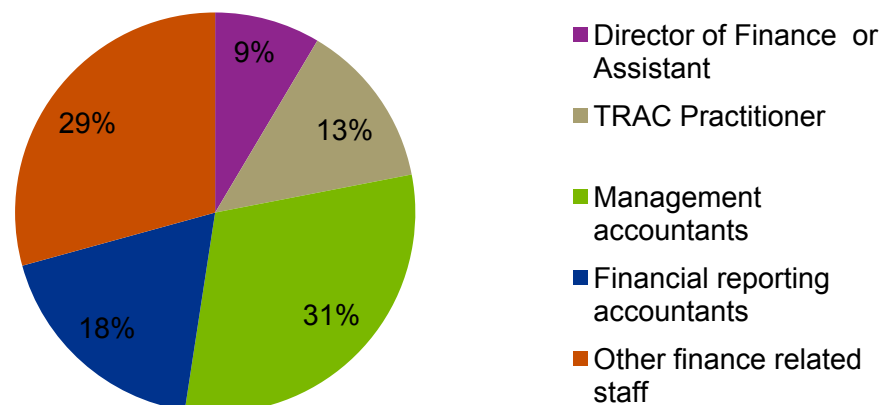


The chart shows that there is a good representation from each peer group with the exception of groups F and G. These groups contain more institutions that are eligible for dispensation from certain TRAC requirements. Therefore the lower representation from these groups does not affect the extent to which the results are representative of the sector.

We have also considered which representative at the respective institutions completed the survey. To encourage positive engagement with the survey, it was sent out via the TRAC distribution list. The responses were then validated in the visits we undertook.

Below is a summary of respondents by title of the person who completed the survey.

**Analysis of individuals within institutions completing the survey**



This highlights that the knowledge and responsibility for TRAC and TAS is quite varied across the sector, with senior management representation coming through more in the form of oversight and review. Also, there is only a small proportion of TRAC practitioners who undertake a separately designated role with responsibility for TRAC. This responsibility largely forms part of the role of management accounts usually, or other staff involved in finance, costing and pricing etc.

We have separately made enquiries of the respondents to clarify whether the Director of Finance or a senior manager was consulted over the survey responses. This confirmed that for the institutions responding, in addition to the 9% shown above these individuals were consulted in a further 48% of cases.

### 3. Research findings

## 3.4 Results of our institutional survey

### 3.4.1 Approaches to time allocation

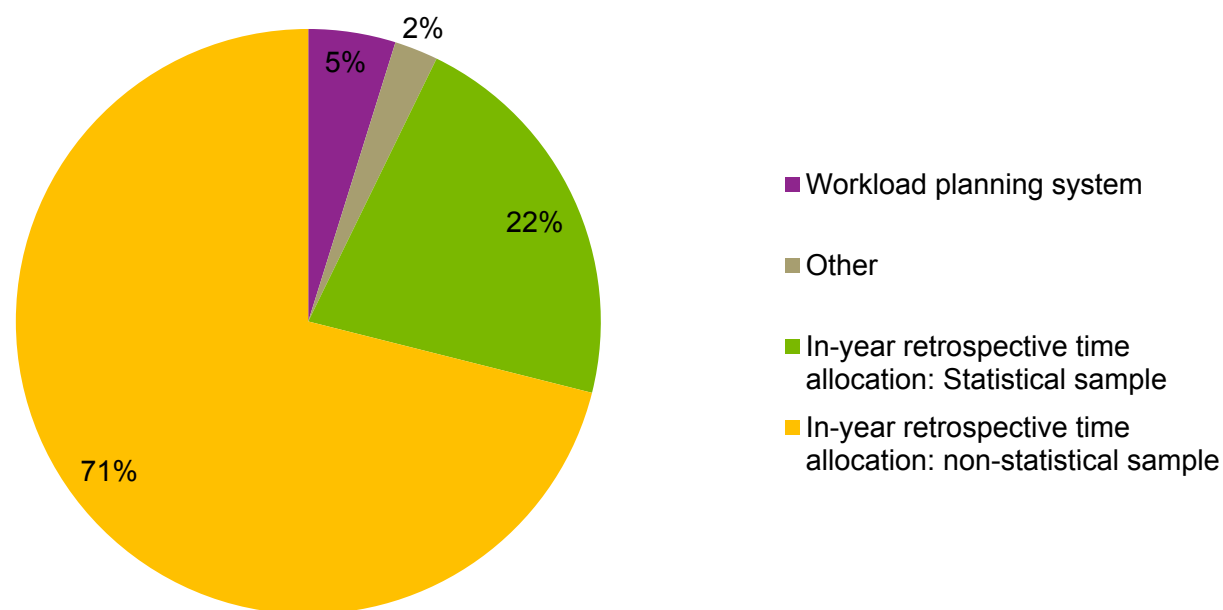
The specific approach adopted by individual institutions from the options available to them under the TRAC guidance included the following:

- *In-year retrospective time allocation between those institutions adopting a statistical approach and those that have not*
- *Workload planning systems*
- *Other methods*

*The chart shows that in-year retrospective time allocation is by far the most common approach to time allocation.*

*Each of these approaches has been considered in turn in this section of the report.*

**Analysis of the different approaches adopted to time allocation in the sector**





### 3. Research findings

## 3.4 Results of our institutional survey

### 3.4.1.1 – In-year retrospective time allocation

We have analysed the specific way in which in-year time allocation is undertaken.

*At least 74% of institutions using this method require academics to complete returns on a termly basis, either every year or every three years. 22% of institutions have taken a statistical approach to in-year time allocation.*

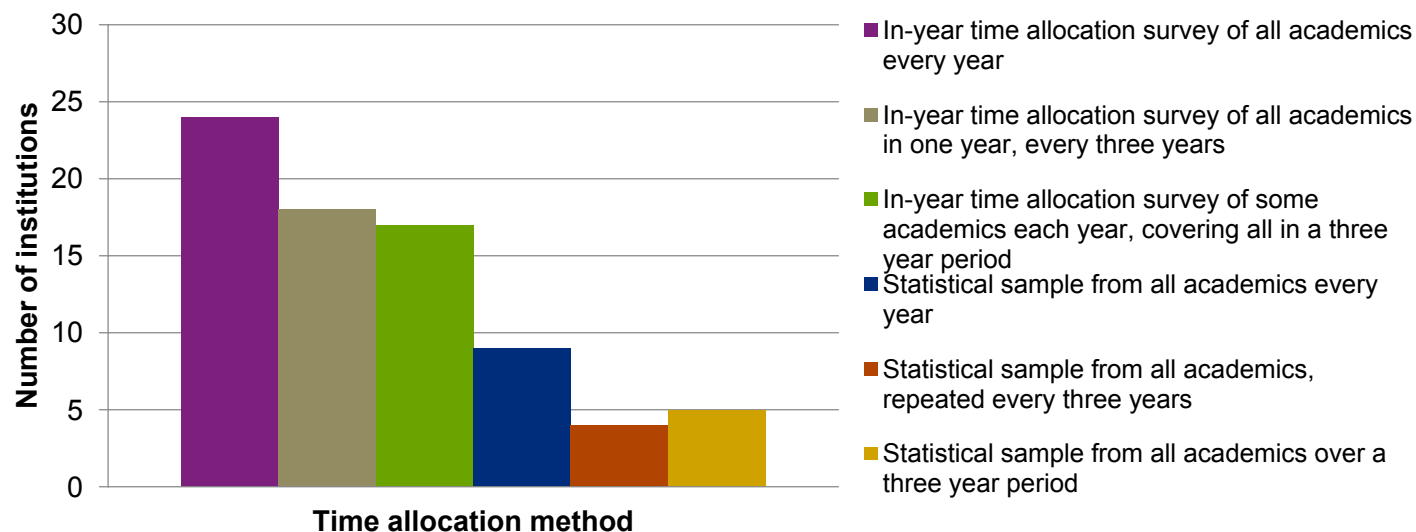
*Response rates are generally good, and the average time allocation survey response rate for the Institutions who responded to our survey was 85%, though in many cases this requires considerable ‘chasing’ by administrative staff.*

*Statistical based in-year collections generate a better response rate overall.*

*In respect of Workload Plans and the Other approaches adopted, there is an expectation that there will be 100% response rate due to nature and design of these approaches.*

*Analysis of these responses by mission group, confirms that this is not a factor that influences response rates.*

Analysis of in-year and statistical approaches to time allocation



	In-year surveys from all academics every year	In-year surveys from all academics on one year, updated every three years	In-year surveys from all staff over a three year period	In-year surveys collected on a statistical basis
Average response rate	85%	85%	84%	88%
Overall average response rate from all respondents – 85.2%				



### 3. Research findings

## 3.4 Results of our institutional survey

### Typical response rates compared to the different time allocation methods and Central staff time administering TAS

This analysis draws out the correlation between the level of resource dedicated to time allocation administration and how this impacts on response rates.

Response rate	Average days per year by central staff on the administration of time allocation process
70-80%	27
81-85%	69
86-90%	29
91-95%	56
96%+	95

The results opposite are not conclusive, as there is not a trend that suggests that the greatest effort is required to achieve the highest response rates. However, the results do suggest that if a response rate of 70-80% were deemed statistically valid, then this could reduce the administrative input required. Although the least greatest input appears to be required to achieve a response rate in excess of 96%, there were only four institutions achieving such a response rate.

There are also various factors such as the use of technology etc. that could influence this, but from our review, only half the institutions achieving in excess of 90% response rate state that they use a technological solution to support the TAS process.

In-year collection method	Average days per year by central staff on the administration of time allocation process
All academic staff every year	30
All academic staff in one year, repeated every three years	38
All academic staff over a three year period	32
Statistical method	73

In Appendix 4 we have provided further analysis of the response rates, compared to the administrative input required, split by the different in-year time collection methods. This does not provide very conclusive results, but does highlight the following:

- *Full in-year survey of all academics every year, has required less time to administer to achieve these response rates.*
- *In achieving between 81% and 95% response rates, some institutions reported that they are challenged by factors such as manual time allocation processes and poor engagement by academics. Equally, there are some institutions who see the value of this information and are more willing to dedicate resource.*
- *At the two extremes of 70% and 96%+, it is either a case of processes working poorly or very efficiently respectively. Both could equally support the level of time dedicated to this.*
- *Use of statistical approach appears to have provided the highest response rates (96%+) but does require time to undertake this approach (avg. 197 days).*
- *A factor that cannot be quantified is whether time is consumed refining the quality of the returns or just obtaining returns.*

The analysis above shows that collecting information from academic staff once every three years is the least burdensome method and the statistical and collection over a three year period the most burdensome.

### 3. Research findings

## 3.4 Results of our institutional survey

#### Comparison of TAS results by in-year retrospective time allocation method and peer grouping

Key observations from these graphs:

- Overall, the results show that in general terms, the method of time allocation adopted does not directly influence the results.

- In respect to time allocated to Teaching, the distribution of the results appears to be as expected for Teaching activity across the peer groups, in that the more teaching intensive universities (Groups C to F) have larger proportions of time allocated to teaching than groups A and B.

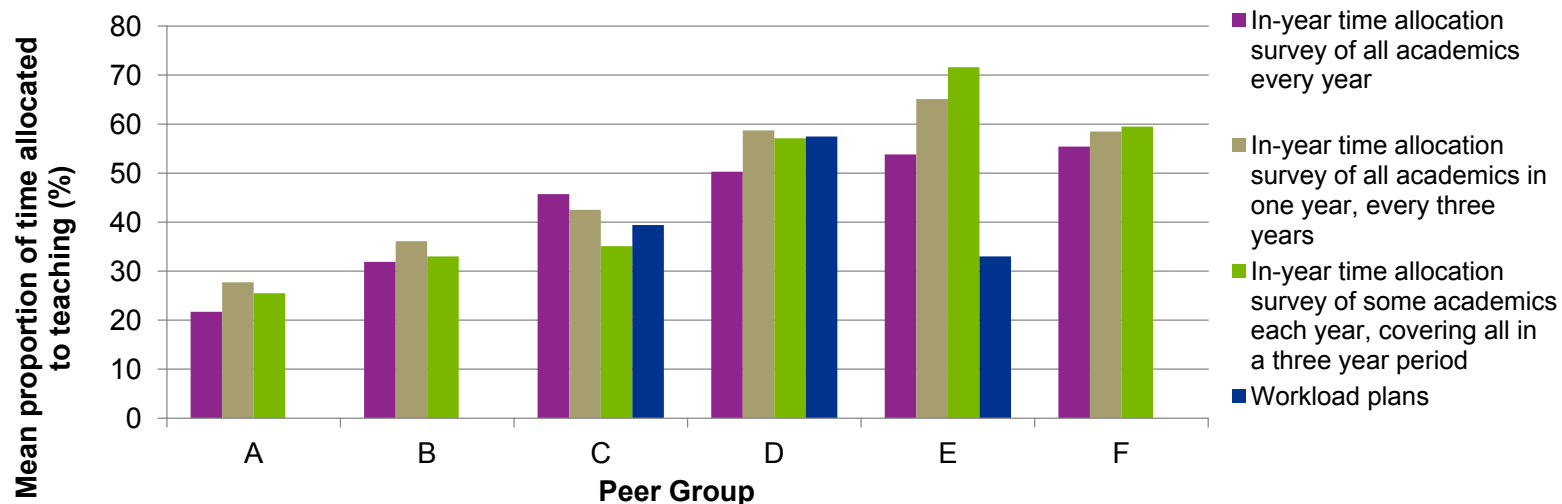
- Although based on a smaller population, the workload planning methods reports slightly higher proportions of time for Teaching, compared to the other methods.

- In terms of time allocated to Research, Group C stands out. Group C has a wide range of types of institution, which may explain this.

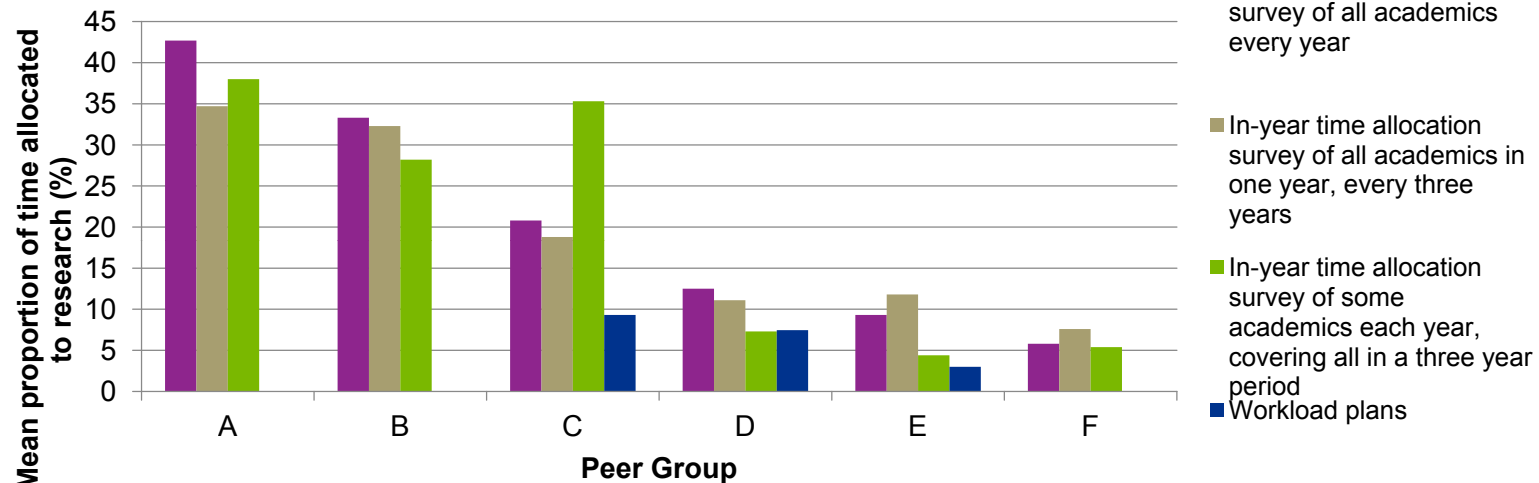
- There were only 5 respondents each using either workload models or other approaches. We do not consider the analysis for these as being representative, but the workload model results been included in this analysis for information.

- Note: Peer group G not analysed due to insufficient results for this group

Mean proportion of time allocated to TEACHING, by peer group and approach



Mean proportion of time allocated to RESEARCH, by peer group and approach



### 3. Research findings

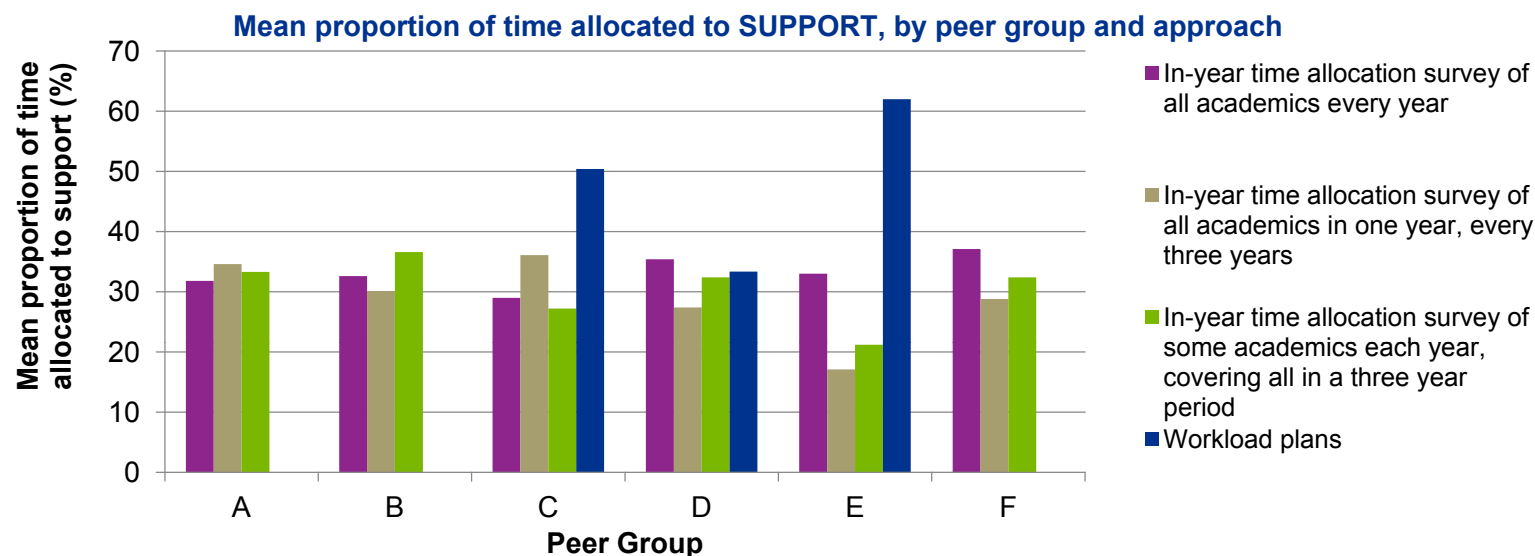
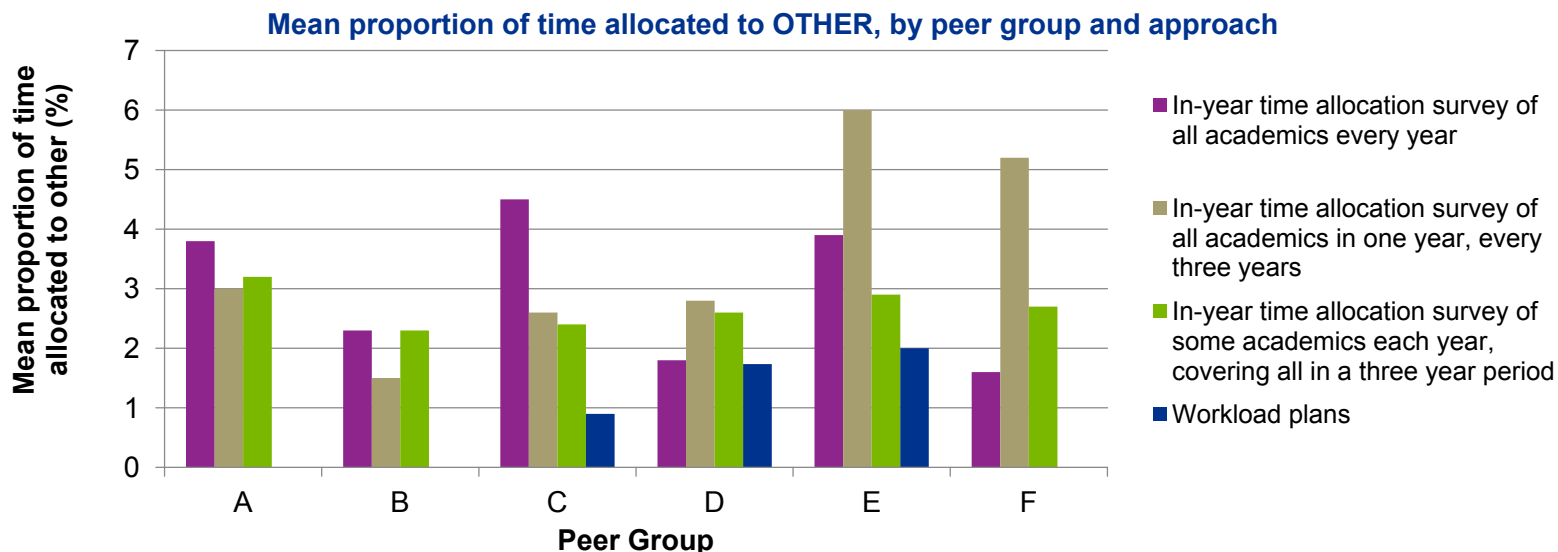
## 3.4 Results of our institutional survey

#### Comparison of TAS results by in-year retrospective time allocation method and peer grouping – continued

- There were no respondents in groups A, B and F using either of workload models or other approaches.

- In respect to time allocated to Other, the notable 'outliers' are in groups C, E and F, where there is much higher % allocated and inconsistency across different approaches.

- In respect to time allocated to Support, all groups show a fairly consistent treatment other than for group C and E where workload planning approaches disclose a slightly different result. Although this study has not explored this issue, we are aware that a number of the workload planning methods adopt a 'tariff' system whereby standard allocations of time are awarded for different activities. This may lead to slightly higher allocations of support time, but this would need to be investigated further to substantiate whether this is the case.



### 3. Research findings

## 3.4 Results of our institutional survey

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### 3.4.1.2 - Workload plans

The survey results found that four institutions are currently using workload plans to provide the time allocation information for their TRAC process. Workload planning is a less common approach, though it is seen by those who use it as more robust than staff surveys. Several respondents are looking to move to this approach, and further detail is provided on the following page.

All four institutions concurred that their workload planning approach provides more accurate results than the previous method used.

### 3.4.1.3 - Other methods

One institution declared that 'Other' methods are used to obtain time allocation information. The methods in used involved the collection of weekly timesheets.

### 3.4.2 - Success of current time allocation approaches

Whilst this is relatively difficult to measure, we have set out some analysis that bears testimony to the 'success' of current time allocation approaches.

- In-year retrospective time allocation is the favoured option for most institutions.
- Very few institutions surveyed have changed their time allocation in the last two years, but small number plan to do so in the next two years.
- The current approaches to time allocation are increasingly becoming the foundation for further utility of time allocation data. This is supported by the responses to the survey in respect of the use of time allocation data for purposes other than TRAC, which has been set out section 3.4.4.
- Majority of institutions confirmed that they would still keep some form time allocation data, even in the absence of TRAC.
- Perceived advantages and disadvantages of current approaches are set out below on pages 32 and 33.

### 3. Research findings

## 3.4 Results of our institutional survey

### 3.4.2.1 - Changes to time allocation approaches:

#### • Made in the last two years

*The first chart on this page shows that the majority of institutions have made no significant change to their chosen approach to time allocation.*

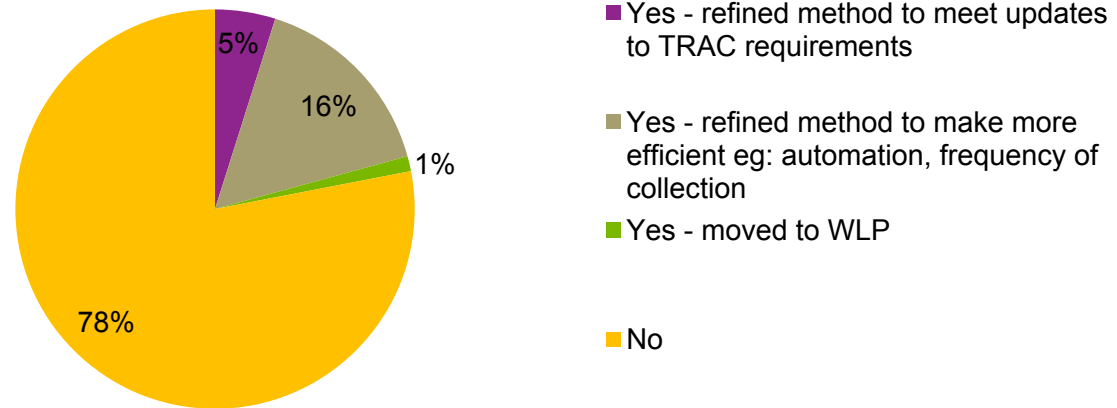
#### • Planned over the next two years

*The second chart shows that the majority of institutions have no plans to change their chosen approach to time allocation.*

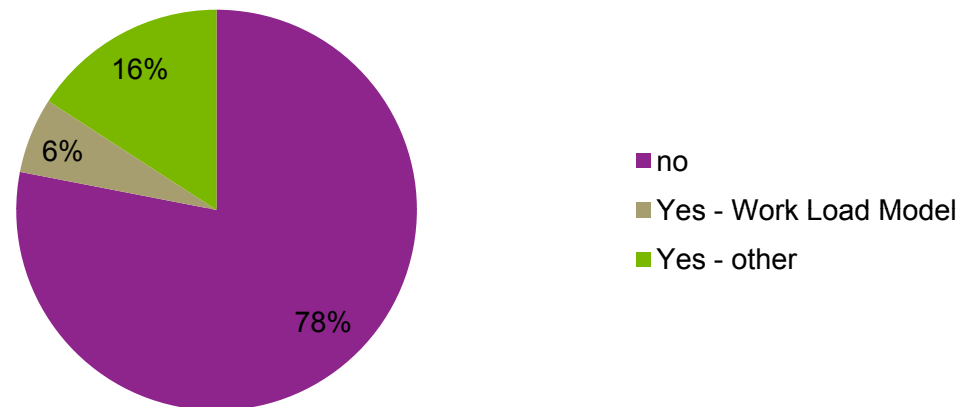
*Although the chart suggests only 6% of respondents were planning to move to a pure work load model for their time allocation, ten of the 13 other institutions planning to change their basis of time allocation will incorporate work load planning information into their method. Overall this shows that 18% of the respondents are seeking to draw on workload planning to varying degrees to amend its approach to time allocation in the future.*

*Further analysis shows that in both cases these institutions cut across the mission groups. This may suggest that current practices are largely seen to be adequate and very little or no additional resource is being allocated to further develop these practices. For those institutions that have/plan to make changes, there is evidence that these measures have Corporate backing and support to take these forward.*

Time allocation method revised in last 2 years



Change time allocation method in next 2 years



### 3. Research findings

## 3.4 Results of our institutional survey

Below we set out a summary of the respondents perceived advantages and disadvantages of current time approaches as set out in the survey.

Method	Advantages	Disadvantages
<b>In-year time allocation – every academic every year</b>	<ul style="list-style-type: none"> <li>- Academics familiar with the process</li> <li>- Ensures most up to date information obtained</li> <li>- Suitable in smaller institutions with fewer academics</li> <li>- Research outcomes can be followed up</li> <li>- Reflect changes in circumstances of academic activity</li> <li>- Seems to improve the academics' sense of ownership of the survey and the results</li> <li>- React quicker to TRAC guidance updates</li> </ul>	<ul style="list-style-type: none"> <li>- Reliant on academics to provide accurate data</li> <li>- Very time consuming to issue and collate returns</li> <li>- Can be contentious with academics also maintaining workload plans</li> <li>- Risk of alienating academics who do not appreciate having to complete several returns in a year</li> </ul>
<b>In-year time allocation – every academic every 3 years</b>	<ul style="list-style-type: none"> <li>- Less frequent therefore reduced workload and a reduced requirement for training, due to the level of familiarity that staff have with the process</li> <li>- Sampling techniques for representative periods to sample in the year can be reviewed between survey years</li> </ul>	<ul style="list-style-type: none"> <li>- TAS categories may be out of date based on when updates to the guidance that affect TAS are issued</li> <li>- Low response rates where departments doing little funded research activity</li> <li>- 3 year data becomes out of date without detailed review and challenge in non-survey years</li> <li>- The trade-off for a reduction in workload is that academics lose familiarity with the process, meaning a requirement to re-train/raise awareness/issue detailed instruction every 3 years</li> </ul>
<b>In-year time allocation – some academics each year, covering all in a 3 year cycle</b>		

### 3. Research findings

## 3.4 Results of our institutional survey

Method	Advantages	Disadvantages
<b>Workload planning systems</b>	<ul style="list-style-type: none"><li>- Clearer expectations for Academic staff</li><li>- Feedback from parts of the sector suggest that the process provides more accurate and timely data for TRAC and how academic staff use their time</li><li>- Better management tool for planning</li><li>- Easier to distinguish between institution own-funded research and scholarly activity</li></ul>	<ul style="list-style-type: none"><li>- More time is needed (up to 2 years) to implement and refine a university wide workload planning process, such that it provides reliable data to satisfy the TRAC requirements</li><li>- Workload plans can be more difficult to apply to non-teaching activities, although this is possible</li><li>- Getting buy-in across the University to adopt this method</li></ul>
<b>Other approaches</b>	<ul style="list-style-type: none"><li>- Automated web based process is easier to use and administer</li><li>- On-line diary entries provides an efficient data collection</li><li>- Based on actual time spent on activities and covers all staff</li></ul>	<ul style="list-style-type: none"><li>- Manual process requiring high administrative input</li><li>- The process does not remove the risk of staff providing data that is not a true reflection of how they have utilised their time</li></ul>

### 3. Research findings

## 3.4 Results of our institutional survey

### 3.4.3 - Views on time allocation requirements

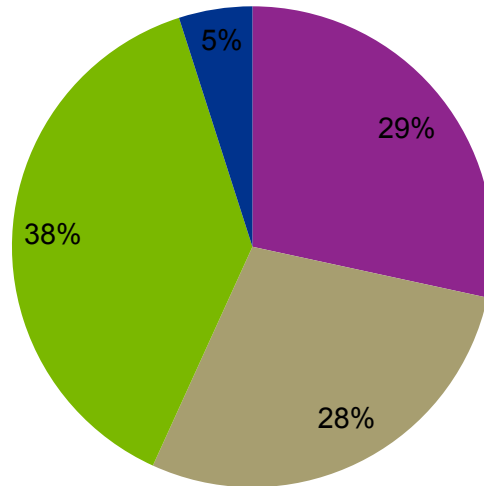
*Institutions report that 43% view the burden of time allocation as being reasonable or no problem. 28% state that the burden is high but acceptable given the benefit provided, leaving 29% that view the burden as being excessively high.*

*While most respondents are neither satisfied nor dissatisfied with the time allocation requirements within TRAC, 17% are dissatisfied or very dissatisfied, but 34% are either satisfied or very satisfied.*

*It is worthy of note that more than two thirds of institutions would collect time allocation data even if it were not a TRAC requirement.*

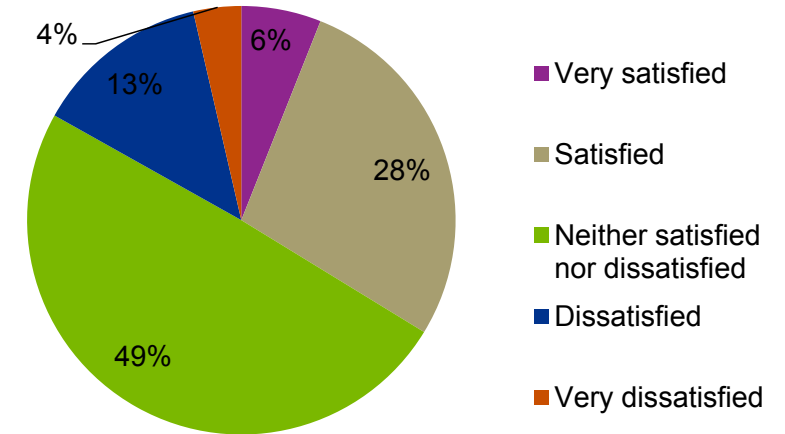
*The next page sets out a summary of which aspects of time allocation are most burdensome and how this burden could be reduced. Further analysis has been undertaken under 3.4.5.*

Views on administrative burden of time allocation

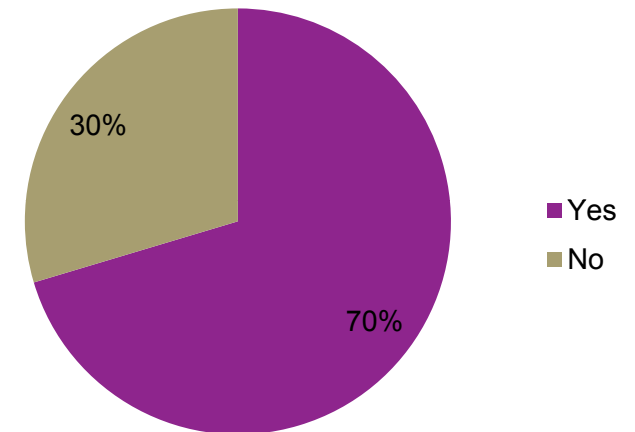


- Excessively high
- High, but acceptable given the benefits of the data collected
- Fairly reasonable
- No problem at all

Satisfaction with the time allocation requirements



If it was not a requirement of TRAC, would you collect some form of time allocation data anyway?





### 3. Research findings

## 3.4 Results of our institutional survey

Below is a summary of the what respondents to the survey have indicated in relation to the burden of time allocation, how it could be reduced and the process improved upon further.

Most burdensome aspects of time allocation	Ways in which this burden could be reduced	Other feedback on time allocation and how this could be improved
<ul style="list-style-type: none"> <li>- Manual collation</li> <li>- Data input and checking</li> <li>- Chasing up academics for responses</li> <li>- Application of detailed time allocation definitions</li> <li>- Validation of data and sign-off of data by relevant Heads</li> <li>- Answering queries and returning TAS forms completed inaccurately</li> <li>- Setting up the Workload Models (WLM) for each term</li> <li>- Compliance with Data Protection regulations and other external instruments</li> <li>- Convincing academic staff of the need to submit accurate data on a timely basis</li> <li>- Preparation of collection periods and academic staff lists</li> <li>- Dealing with the negative impact about TAS and TRAC originating externally</li> </ul>	<ul style="list-style-type: none"> <li>- Automate the process, including sampling, chasing and data collection</li> <li>- Allow heads of departments to estimate the time allocation for the department in the first instance, which can then be corroborated for actual times through discussion with staff</li> <li>- Move to WLM prepared routinely within departments each year</li> <li>- Move to a WLM that maps across to TRAC categories</li> <li>- Clearer guidance on why TAS is needed and to clarify TAS definitions</li> <li>- More ownership by departments as part of normal management practices</li> <li>- Increase frequency from minimum 3 year cycle to a 5 year cycle</li> <li>- Allow academics to roll-forward previous data if their activities not changed significantly</li> </ul>	<ul style="list-style-type: none"> <li>- Subdivide the TRAC categories such that they are underpinned by levels of analysis that are more aligned to the categories of activity that are recognised and used in the day-to-day management and administration of institutions.</li> <li>- Raise the dispensation levels to say 10% of total income or cost. This would spare several T intensive institutions the burden of TRAC and TAS</li> </ul>

### 3. Research findings

## 3.4 Results of our institutional survey

### 3.4.4 - Collection and use of data

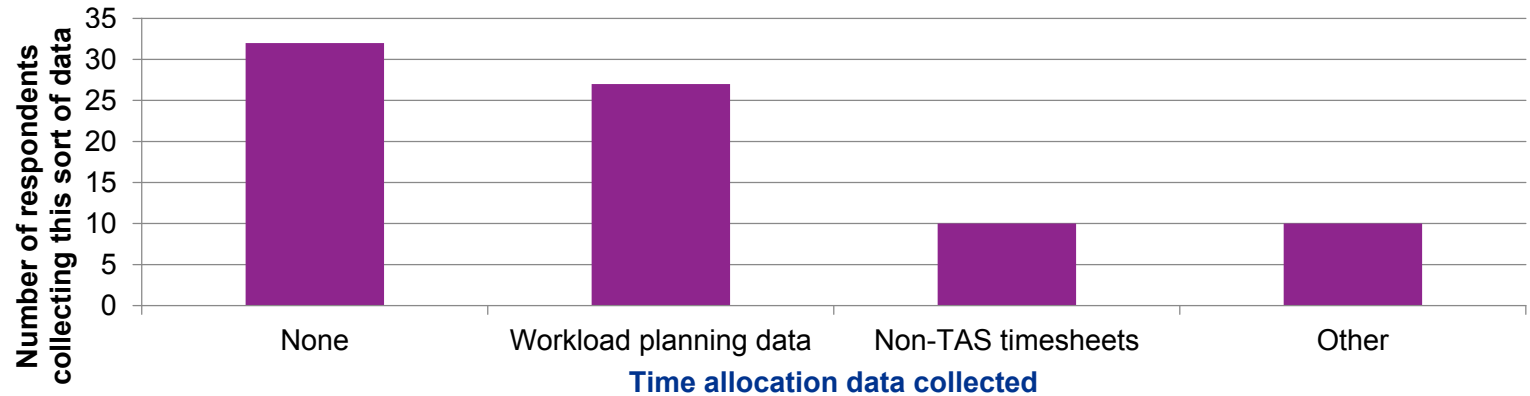
47 out of 79 institutions responding to this question (60%) collect other data on staff time allocation, but 40% (32 institutions) do not.

Of the 81 institutions answering the question regarding the use of time allocation data beyond using it for TRAC compliance 36 out of 81 institutions (44%) stated that the data is used for more than TRAC compliance, but 56% do not use the data beyond TRAC compliance

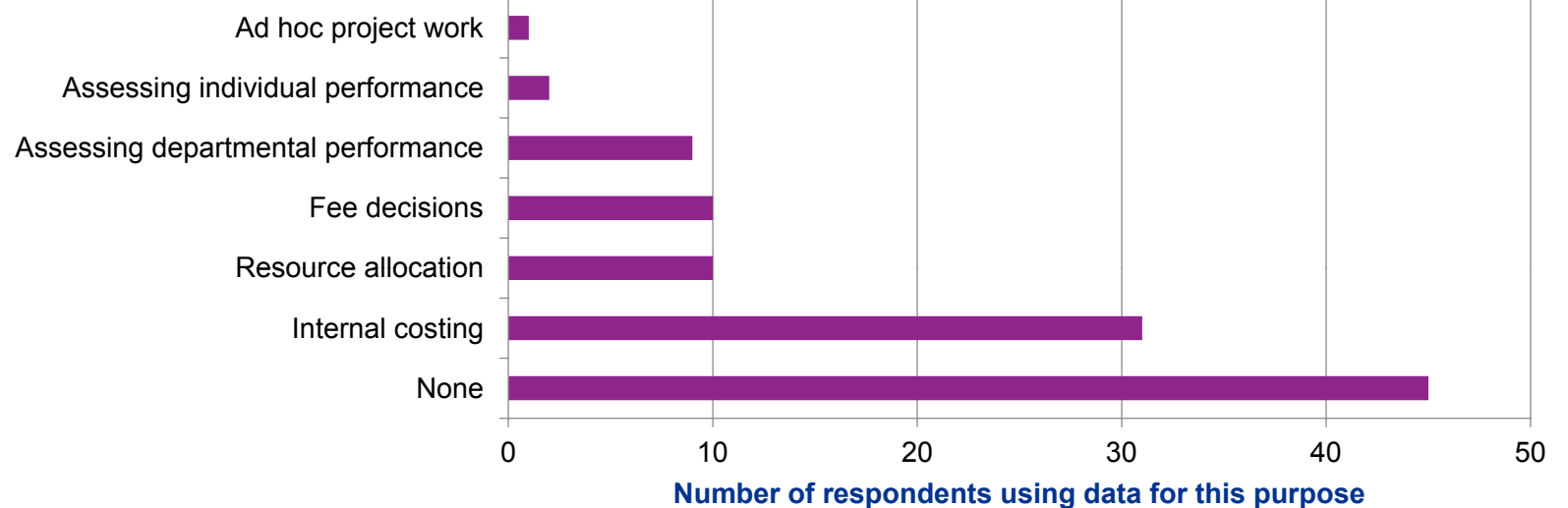
Some institutions, however, are starting to collect additional data for their own purposes and to use TRAC for things like internal costing or departmental performance assessment.

Further analysis suggests that Russell Group institutions appear to be leading the way in terms of using the data for internal costing in particular.

Other data collected by respondents in respect of academic staff time allocation



Use of time allocation data for other than TRAC compliance



### 3. Research findings

## 3.4 Results of our institutional survey

### 3.4.5 - Administrative burden of time allocation

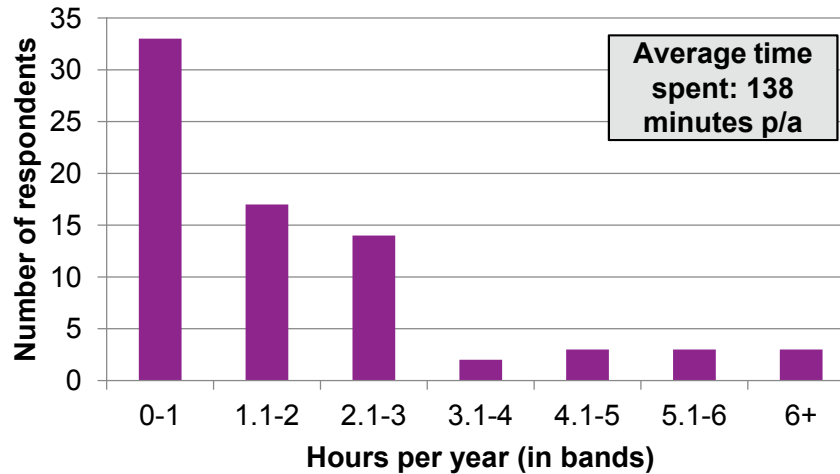
*The time allocation process is generally not too burdensome on individual members of academic staff, with the time allocation process typically taking up less than 0.14% of their time (138 minutes as a proportion of 1650 hours).*

*During the visits undertaken we have corroborated the validity of the information provided.*

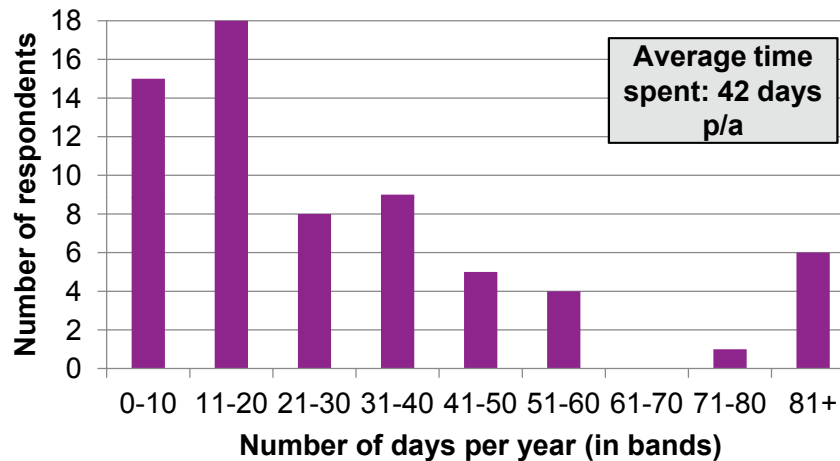
*We have undertaken further analysis by mission group on the next page to better understand why it is more burdensome in some institutions.*

*The amount of central staff time spend on time allocation and on TRAC as a whole varies considerably across institutions. We have considered this by mission group to provide more context to the analysis here.*

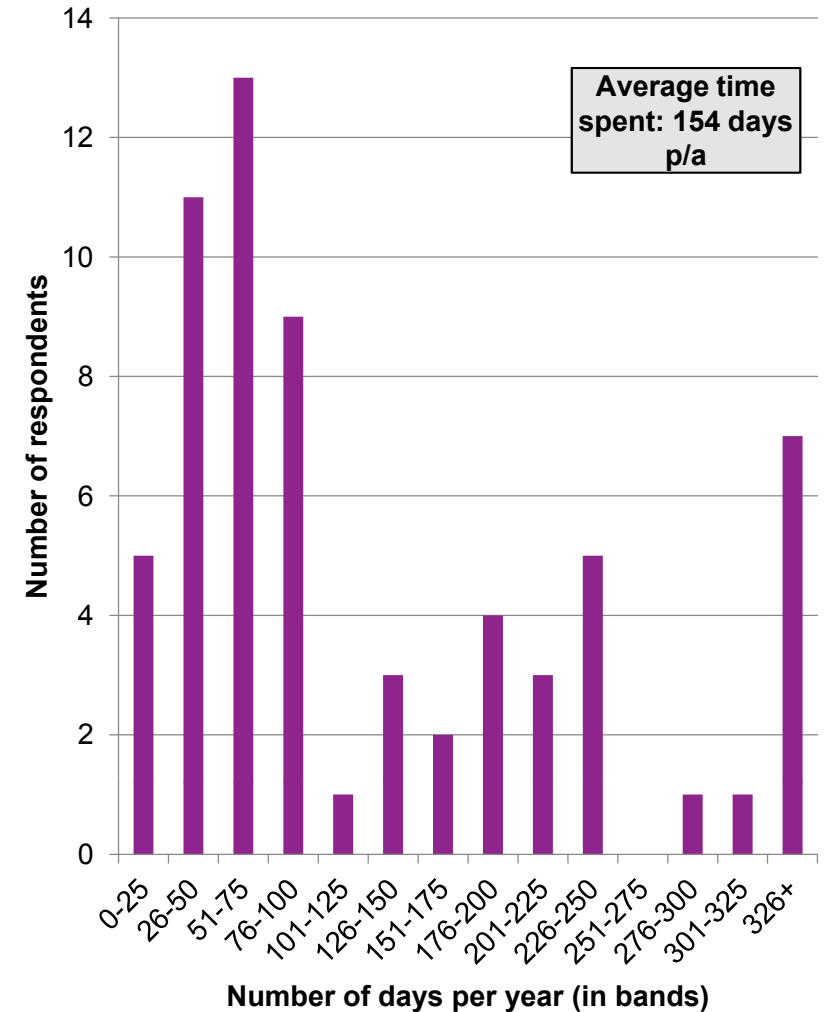
**Estimated hours per academic staff member per year spent on time allocation returns**



**Estimate of Person days per year of central staff spent on time allocation processes (estimate)**



**Estimate of days per year of central staff spent on administering the whole TRAC process**



### 3. Research findings

## 3.4 Results of our institutional survey

Further contextual analysis to provide a better understanding of the burden of time allocation (by mission group)

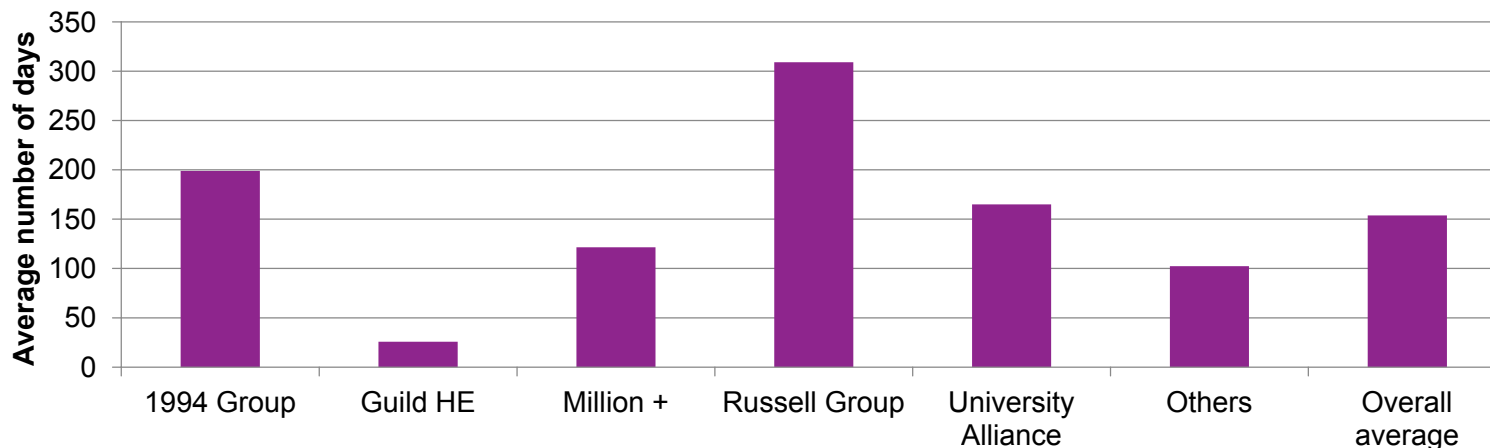
The analyses on this page highlight the following:

- Russell Group institutions dedicate on average 1 FTE of central admin staff resource to time allocation.

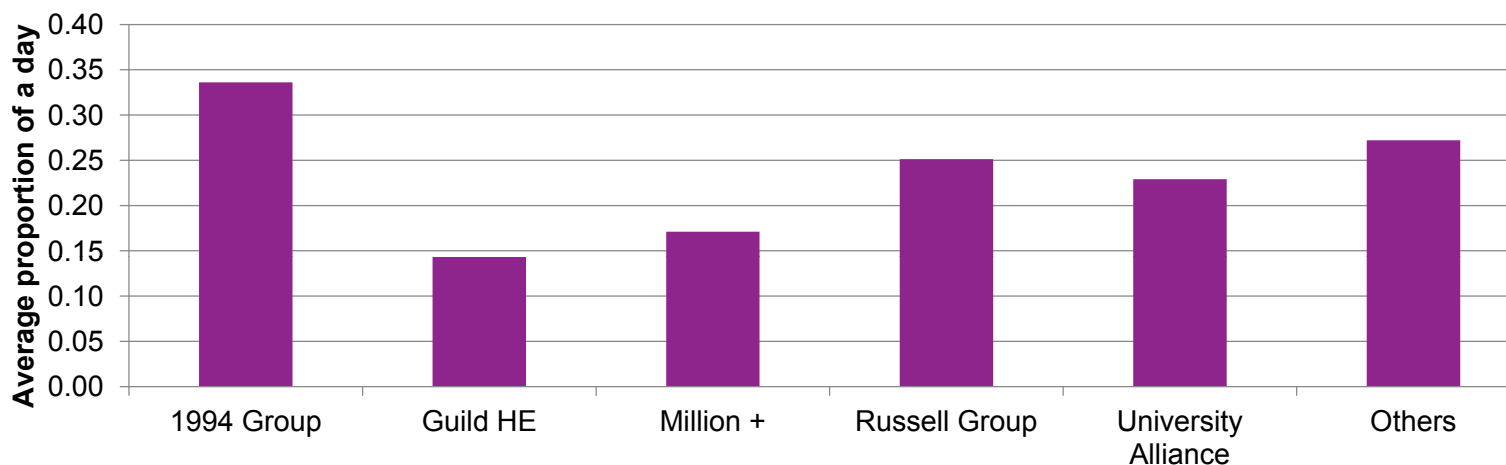
- Guild HE, Million+ and Other institutions dedicate less than 0.5 FTE to time allocation.

- The second graph shows that with the exception of the 1994 group, Guild HE and Million +, there is a consistent amount of central administrative time spent on the TAS process per participating academic member of staff. There is a disproportionate percentage of admin time spent by 1994 group, but the reasons for this are unclear.

Average number of days of Central admin staff spent on TRAC and TAS by mission groups (estimate)



Average days of central administration time per participating member of academic staff

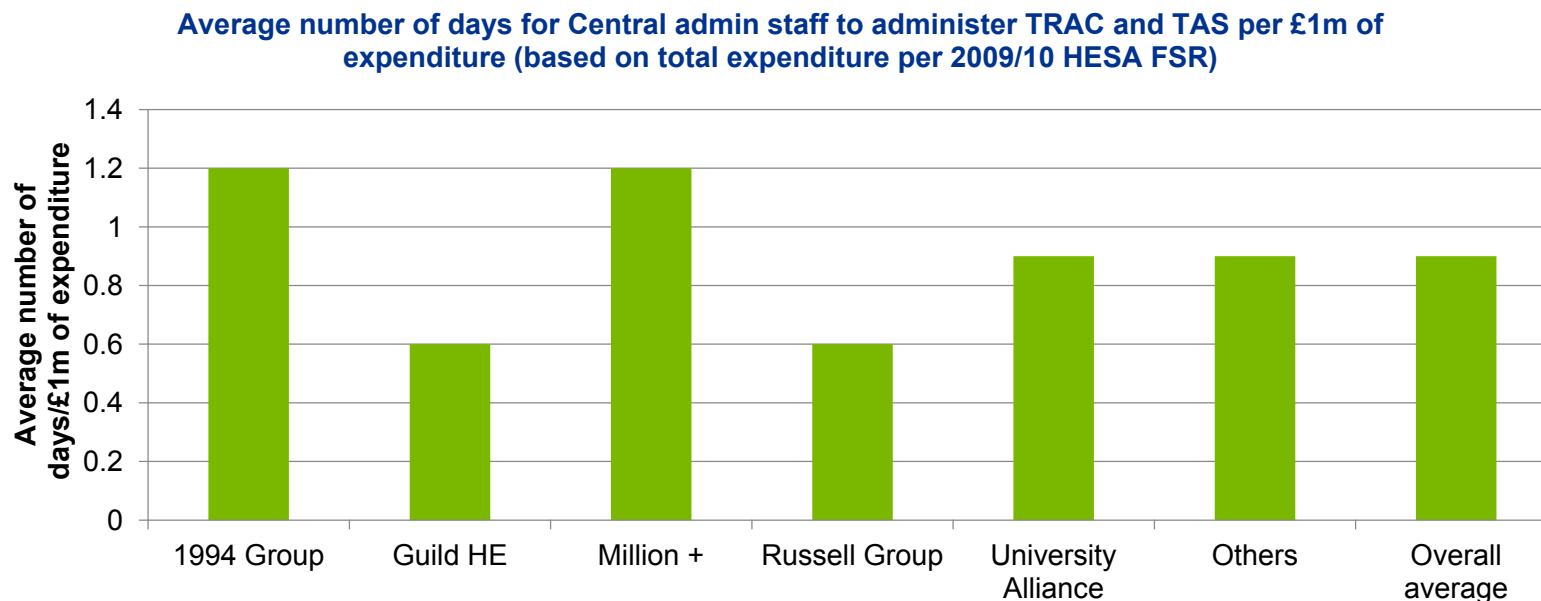


### 3. Research findings

## 3.4 Results of our institutional survey

**Further contextual analysis to provide a better understanding of the burden of time allocation (by mission group)**

*The graph opposite highlights that the Russell Group and Guild HE spend proportionately less time, relative to total expenditure and the 1994 Group and Million + the greatest amount of time. Possible reasons for these variations include the relative scale and size of the institutions in the different mission groups; the extent to which TRAC is used, and the relative efficiency of the TRAC and TAS processes at these institutions.*



### 3. Research findings

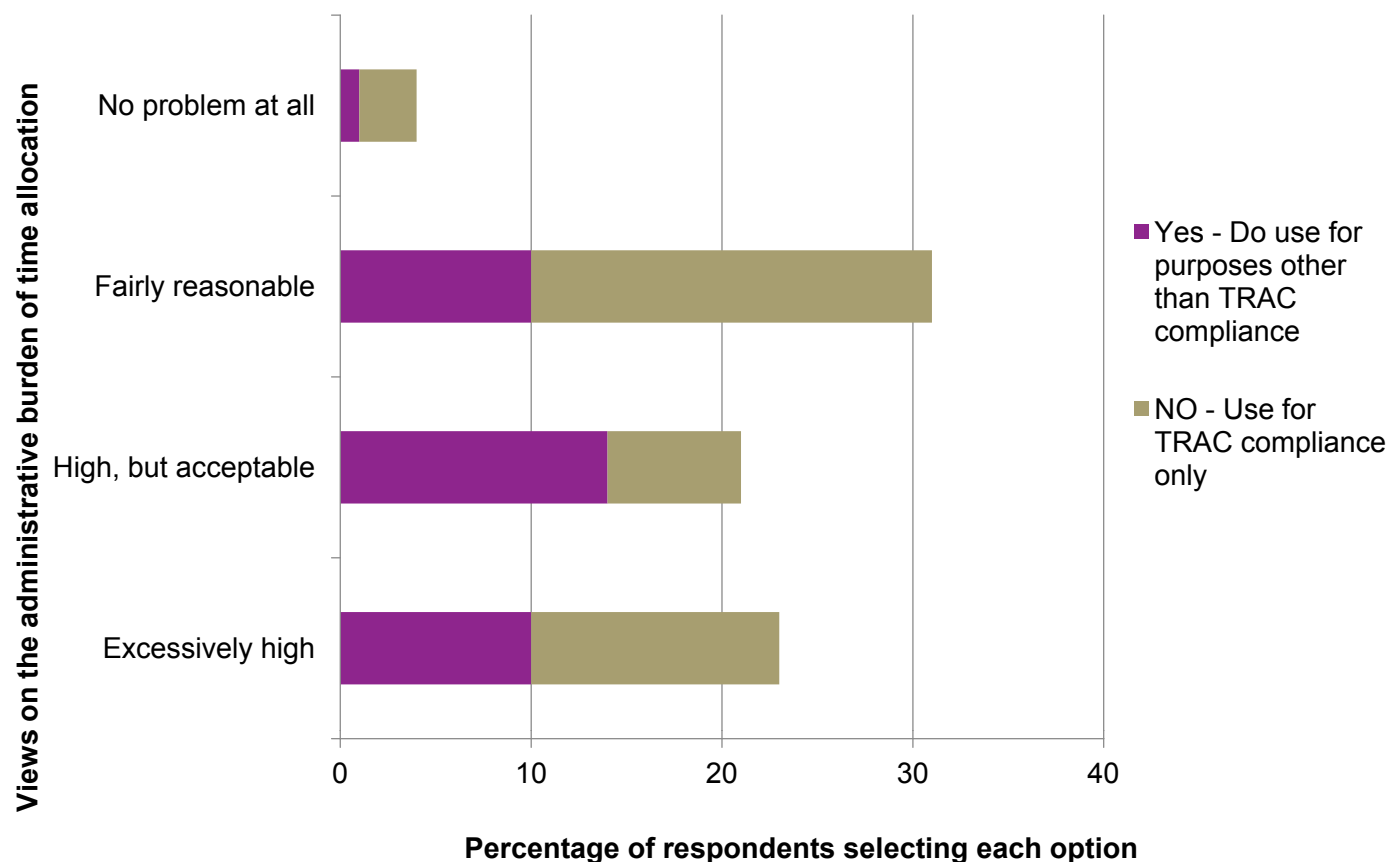
## 3.4 Results of our institutional survey

### Administrative burden of time allocation in the context of other uses for TAS data

The analysis highlights the following:

- Although relatively few, those institutions that have no problem at all with the process, do not make much use of this data other than for TRAC. Half the institutions in this category are Russell Group and use the data for TRAC compliance only.
- At least 70% of institutions do not feel the burden is excessively high and about 50% of them actual use the data for other purposes.
- This leaves 30% of institutions that feel the burden is excessively high, but interestingly a fair proportion of these institutions do use the data for other purposes.
- Overall therefore, it would appear that despite the burden of time allocation, there is utility for this data beyond TRAC. Institutions are beginning to think about this more, in line with having to get the most out of more efficient use of existing resources.

Views on the administrative burden of time allocation split by whether or not the institution uses time allocation data for purposes other than TRAC compliance



### 3. Research findings

## 3.4 Summary of the survey results

### Summary

We have summarised below the key observations from the survey results:

#### *Approach to time allocation*

- The majority of institutions are adopting an approach whereby in-year, retrospective returns are collected. This typically involves academic staff completing three returns per year.
- Half of institutions ask academic staff to complete the time allocation process every year, and broadly half collect the information once every three years.
- A small number of institutions are using workload planning, but all believe that this provides a more accurate result.
- The minimum response rate by academic staff was stated as 71%, but the majority achieve in excess of 76% response rate.
- 40% of institutions do not have information on academic staff time beyond the data collected for TRAC. As such there are few substitutes beyond workload planning that could be used in place of the TAS information.
- The TAS information is being used for purposes other than TRAC in 44% of institutions.

#### *The burden of the TAS process and TRAC as a whole*

- Academic staff spend an average 138 minutes a year completing TAS returns. This represents less than 0.14% of their time, based on a standard year of 1650 hours.
- There is a burden on central staff to operate the TAS process. On average 42 days per year are consumed on this.
- Operation of the whole TRAC process was estimated to consume 154 days of central staff time per year.
- When comparing the time spent by central teams administering time allocation compared with the number of staff participating in the survey, the time is consistent across all mission groups with the exception of the 1994 group, Guild HE and Mission +.

#### *Views on time allocation*

- Just under half of respondents state that the administrative burden of TAS is not a problem or fairly reasonable. Just under a quarter state that the burden is high, but acceptable given the benefits it provides, but just over a quarter of institutions believe that the burden is excessively high.
- The majority of institutions state that they are neither satisfied or dissatisfied with the TAS process at present
- 70% of institutions responding to the survey would collect some form of TAS data even if it were not a TRAC requirement.
- 18% of institutions are planning to utilise workload planning information, to varying degrees in enhancing their approach to time allocation, moving forwards.

### 3. Research findings

## 3.5 Findings from institutional visits

### Introduction

An important element of the review was to visit a number of institutions in order to research and discuss more broadly the issues and experiences in respect of time allocation and management information. A total of 12 institutions were visited, supplemented by remote discussions with a further two institutions. A list of the institutions involved is provided in Appendix 2.

The selection of institutions to be visited sought to provide representation of the different types and size of institution, different time allocation methods in use as well as incorporating institutions from Wales and Scotland.

### Purpose

The purpose of the visits has been to understand:

- i) what management information is required for purposes other than TRAC;
- ii) their time allocation process;
- iii) any issues or difficulties that the institution has to overcome with the time allocation process;
- iv) what steps were taken / are required to secure the buy-in of academic staff to the process and to understand how time allocation requirements and processes 'fit' with the culture of institutions and the HE sector more generally;
- v) what other approaches the institutions use to steer and appraise the use of its academic staff;
- vi) views regarding how time allocation could be simplified; and
- vii) how the TRAC information is used beyond the production of the two TRAC returns and the reasons for this.

Institutions were invited to make available all, or a selection of: The Director of Finance, TRAC Practitioner, Director of Planning (or equivalent), Academic representatives and the individual(s) involved in collating the time allocation data. Although not all institutions could field the full complement of individuals, the visits were highly informative and we are very appreciative for the time, assistance and cooperation we were given.

### Findings:

The findings from the visits were collated and we outline in the sub-sections below the key observations. In some areas e.g. Time Allocation approaches, the information obtained was confirmatory of the survey response already received. In these cases this information is not repeated below.

#### *Approaches to time allocation and recording*

All of the institutions visited had a time allocation processes that was judged to be embedded in their respective institutions. If response rates are an accepted indicator of acceptance, then this confirms this, with response rates being upwards of 75% in most cases. These processes had been in place since the original implementation of TRAC over ten years ago, which had also contributed to the process being complied with.

All institutions were following either a statistical or in-year retrospective approaches to time allocation, although three are in the advanced stages of implementing a workload planning system and a further two have a desire to move in a similar direction, ultimately to replace the current time allocation method.

The statistical approach to time allocation involves all or a sample of academic staff completing a number of returns coverage all or a sample number of weeks in the year.

The in-year retrospective approach involves all staff completing a minimum of three returns covering the whole year either in one year, or over a three year period.



### 3. Research findings

## 3.5 Findings from institutional visits

We noted that in all but one case, the time allocation process was in some way automated, to ease the administrative burden. (We noted from the survey analysis that around 65% of the respondents have automated approaches to time allocation).

In all cases the time allocation process for TRAC is operated by the TRAC Team, who are all part of the Finance Function. However, for those institutions that are considering taking forward workload planning, the Human Resources function has a leading role in overseeing such processes.

We found no examples where time allocation is aligned with any appraisal or performance development processes.

#### *Timesheet approaches*

Almost all institutions visited have part of the institution maintaining timesheets, commonly to enable compliance with European Commission (EC), Research Council and other grant funding requirements. We explored with staff the usefulness and acceptance of this approach and found that academic staff are more accepting of the process, as it is understood that it is a requirement in order to access funding, which can be directly seen. Although time allocation also affects the funding that the institution is able to access, this link is not commonly recognised by academic staff.

We discussed the quality of information that is obtained from the timesheets. The consensus was that this approach does not necessarily achieve a greater level of accuracy in the data returned, compared with other time allocation methods, as there is a specific motivation for why the timesheets are required, which can affect the actual accuracy of the time reported.

One institution did however identify that the timesheets had provided improved visibility and monitoring of activity and research margins (several percentage points).

We found that where institutions are using timesheets, these only cover a small proportion of the academic body (e.g. 8%). Therefore there is not a body of empirical evidence to conclude on the feasibility of a timesheet process for the institution as a whole.

There was also scepticism about whether a timesheet approach was aligned with the 'output' nature of HE activity. As such, timesheets were not volunteered by institutions as an alternative approach over those currently employed.

#### *Workload planning approaches*

We have outlined that a number of institutions are moving towards establishing workload models and plan to use these to inform TRAC, ultimately in place of the current time allocation method. It is however important to state that **not** all institutions accept that workload planning would be a better or more appropriate approach to time allocation.

For the institutions that are planning to adopt this approach the benefits are believed to be:

- Increased accuracy in the data collected as a result of it being jointly agreed between individuals and academic managers as a plan in advance of the year commencing, thus reducing the scope for time spent on activities to be misreported;
- The process being a primary driver for the management of the institution, rather than being driven by funders' requirements alone; and
- The ability to combine two processes (TAS and WLP), thus making an efficiency.

Some of the more research intensive institutions visited questioned whether such a model can work satisfactorily for recording research activity, but outside of this study we are aware of other research intensive institutions identifying ways of overcoming this issue.

#### *Other approaches to time allocation*

During the visits we enquired as to whether there are alternative methods that could be used. Although not used for TRAC purposes, a suggestion offered was to use Heads of Department to formulate time allocation returns for their staff, drawing on their knowledge of staff's workloads and commitments.

### 3. Research findings

## 3.5 Findings from institutional visits

### *Difficulties and the burden of time allocation*

The interviews held confirmed the survey responses in that the 'actual' burden on academic staff in complying with the time allocation requirements is not significant. The meetings validated the survey estimates of just over 2 hours per academic member of staff, per year as a maximum amount of time required.

It was proffered that the reason for there being a perceived burden is that there is minimal awareness of why the data is collected or how it is used. This is in contrast with the timesheet systems, which instinctively would be viewed as more burdensome, but because the driver for them is more readily understood, their need is more accepted. A further factor that was stated as causing the view that time allocation is burdensome, was that it is not understood why the data is required so frequently, given the results (for some institutions) are relatively static. Some institutions did however reflect that there is a benefit of the TAS process being mainstreamed if it is done annually.

To understand this further the TAS results were analysed, by peer group, for the last three years in the table below:

### **Average movement in TAS percentages across the three years 2008/09 – 2010/11**

Peer Group	Teaching	Research	Other	Support
A	0.7	0.2	-0.2	-0.7
B	-0.1	0.1	0.5	-0.5
C	1.5	-2.1	-0.2	0.7
D	0.8	0.6	0.2	-0.4
E	-2.8	-0.3	0.4	2.8
F	2.0	0.0	0.1	-2.1
G	-1.7	1.2	0.0	0.5

The table suggests that there are relatively minimal fluctuations in the reported TAS percentages, albeit for individual institutions there can be more material changes. TRAC guidance currently gives the option for data to only be collected once every three years, but consideration could possibly be given to promoting this as an opportunity to lessen the burden, subject to institutions having rigorous process to validate the data in between collection years.

The greatest burden is actually with the central teams responsible for collating the responses and chasing staff for responses, in order to achieve an acceptable response rate. The approaches that institutions are adopting to this include:

- Automated email reminders;
- Phone calls to individual academics to seek a response;
- Delegating responsibility to School Admin Managers (or equivalent) for them to collate and chase responses;
- Letters/emails from academic sponsors to individuals;

There was no single approach that is deemed to be the most effective, as the cultures and types of institution mean that different approaches work better for some than others. Three steps that did appear to alleviate some of these difficulties were: i) where there was strong and open support at a senior level for the processes supporting TRAC; ii) where institutions have embedded elements of the TRAC data in the day-to-day running of the Institution; and iii) local support for the process e.g. Dean / Head of Department. All institutions have the option to adopt these practices, but this will be influenced by the extent to which institutions are bought-in to the process.

A potential factor that could affect the burden of the process is the volume of categories of time that academic staff are required to complete on the time allocation form (or equivalent). From the visits undertaken we found that most institutions are only collecting the minimum required fields in their time allocation processes. A typical time allocation form will required an academic to allocate their time between **18** categories.

### 3. Research findings

## 3.5 Findings from institutional visits

#### *Reliability of the time allocation information*

The visits identified a mixed picture in terms of the extent to which the time allocation information is deemed to be reasonably representative and accurate. A number of institutions stated their satisfaction with the process and the validity of the results generated, but this was not the case for all. This factor was more commonly identified as a possible barrier to TRAC and Time Allocation information being used more broadly in the institution. This is a message that contributed to the need for this review, but getting to the heart of what is leading to this position is not straightforward.

We suggest that contributory factors to this position are a combination of:

- One of the political drivers for TRAC was to provide a greater understanding of costs in institutions, but with some focus on the costs of research activity initially, but within a holistic costing approach. This then developed to provide a basis for research project costing and subsequently to identify Teaching costs in a more granular fashion. There is therefore a possibility that the drivers for this information could influence the responses provided;
- The method adopted could affect the reasonableness of the results, but as demonstrated in the section 3.2, the methods promulgated by TRAC are all aligned with research into the area. The only hypothesis that could be made is that the longer the period of time someone has to reflect on the use of their time, there is an implied reduction in the likely accuracy of that information, where multiple activities were undertaken;

- The validation processes on the data received. A key aspect of the work load model approach that is believed to lead to a more universally accepted result is the fact that the plans are agreed mutually between individual academic staff and their line managers. However, the principle of results being validated is not dissimilar to the 'reasonableness' checking that should take place over other time allocation methods that are used for TRAC. We were unable to identify a conclusive answer here, but for the institutions that use TRAC beyond the statutory requirements, there is greater trust in the information. This further suggests that potentially there is greater scrutiny and examination of information when it is used for multiple purposes; and
- The communication with academic and other staff regarding the purpose and importance of the time allocation process. Our interviews confirmed, as described earlier, that in almost all cases, there is no communication with the academic community to identify how the time information is used, how the institution gains benefit from the information and why it is required.

Due to the subjective nature of this issue our work cannot conclude on the extent of any inaccuracy that may exist in the time allocation data, but we suggest that this is not a position that parts of the sector can sustain, in the emerging environment.

### 3. Research findings

## 3.5 Findings from institutional visits

#### *Development of management information and business intelligence and the use of TRAC and time allocation information*

We explored with institutions the types of management information that are commonly used to inform financial sustainability. This identified that there is a wide range of information used, but this commonly consists of reports from the finance system, planning, budgeting and forecasting processes, key performance indicators, resource allocation models, bespoke cost benchmarking studies together with other environmental (external) intelligence.

Exploring the development of management information further, we found that there appeared to be a link between an institutions' circumstances creating a 'need' to have more focussed business intelligence e.g. course costing, resource allocation etc. whereas for those institutions that have more certainty as to their financial stability in the medium to long term, whilst the importance of such management information was accepted, there tended to be less urgency in pursuing such developments.

However, there does in general appear to be a direction of travel in most institutions whereby management information is being improved and made more cohesive, by bringing together and/or formalising existing processes.

In all cases there was a recognition that more granular information on cost was required and desirable. There was also an understanding and recognition by finance, planning and academic staff alike that information on academic staff time was needed, irrespective of whether this was a TRAC requirement.

A number of institutions visited are developing or planning to develop more cohesive approaches to course costing and one institution is already using TRAC data as the basis for their model. We also found some institutions that are considering if/how their TRAC data can be used as part of their Resource Allocation Model. These are both areas where the FSSG has already provided guidance to the sector through the Management Information Projects (<http://www.hefce.ac.uk/whatwedo/lgm/trac/toolsandguidance/managementinformationprojects/>). These projects provide good practice guidance, drawn from the sector, together with guidance on the implementation of these practices to assist institutions in further enhancing their management information systems.

In exploring institutions' plans to improve time allocation information we found that these improvements were largely being driven by an identified need to have more cohesive and/or reliable information across the whole organisation e.g. Workload planning, rather than their being driven by the sole need to improve TRAC data. This is an important observation as it aligns with some thinking of TDG in terms of TRAC being more successful where it is part of / a by-product of an institution's management information system.

For one institution, there was a reflection that the TRAC data must be useful, but there was a 'gap' in understanding in terms of how the data can be used to provide other information. This could be a case of the institution needing to invest time to explore the possibilities. There could equally be an opportunity for TDG to consider the appropriateness of bringing together worked examples of how other institutions have used the TRAC dataset for other purposes.

#### *Other observations*

Our discussions with institutions were wide ranging, and as such, a small number of other observations arose. These are summarised below:

- **Union interaction with the time allocation process** – Both from the visits together with our other experiences there are differences in the Unions' acceptance of time allocation across the country. Some institutions had to commit some time ago that they would not use this information for purposes other than TRAC. There are also cases where returns have to be anonymised. Both of these issues affect an institutions' ability to use the data for other purposes, therefore it is important for institutions to incorporate time to engage with their unions to aid the successful implementation and success of these processes; and
- **Benchmarking of TAS data** – There was continued enthusiasm for benchmarking of TAS data, both internally within institutions and externally between institutions / peer groups. This appetite did not appear to be driven by anti-competitive agendas, but was more a genuine reflection that benchmarking is a further useful process to judge the appropriateness of an institutions own TAS results.

### 3. Research findings

## 3.5 Findings from institutional visits

### Summary

The key findings from the visits to institutions are as follows:

#### *Time allocation methods*

- A combination of in-year retrospective and statistical approaches to time allocation were used by the institutions visited;
- All institutions have embedded time allocation approaches and there was substantial commitment to securing the required level of response;
- Most institutions had in excess of a 75% response rate to their process;
- Workload planning is being developed by some institutions as it is felt that a combination of the process being aligned with the core management information needs of the institution, together with the plans being jointly agreed in advance of the year will provide more reliable information;
- Workload planning is not appropriate for all institutions.
- Depending on the nature of validation for workload plans, these could still provide erroneous results, although it is believed to be less likely than under other methods, due to the two-way validation of the results;
- Automation of the time allocation process is desirable, but still requires human intervention to secure the required level of time responses;
- Timesheets were not recognised as a solution to institution wide time allocation;
- To maintain the confidence of Government and Funders, time allocation information needs to be reliable at all institutions not eligible for dispensation;
- Benchmarking TAS results is valued by institutions and of interest to academics; and
- For some institutions, there is some Union resistance to time allocation.

#### *The burden of time allocation*

- The reported burden of time allocation on the academic community was not confirmed by the visits. There was a view that the lack of understanding of the purpose and use of the TAS information together with some frustration over the frequency with which the data is collected is fuelling the view that the process is burdensome;
- The greatest burden arising from time allocation rests with the staff, typically in finance, that are responsible for co-ordinating the time allocation process;
- The culture and type of institution affect which method of time allocation is most effective. Three steps that were identified as reducing the perception of how burdensome the time allocation process is were: i) where there was strong and open support at a senior level for the processes supporting TRAC; ii) where institutions have embedded elements of the TRAC data in the day-to-day running of the Institution; and iii) local support for the process e.g. Dean / Head of Department.
- Senior sponsorship, together with sponsorship from leadership at local (School / Faculty / Department) level promotes acceptance and cooperation with the time allocation process;

#### *Development of management information and the use of TRAC*

- Institutions are at different stages in enhancing management information, but there is an acceptance that more detailed cost information is needed;
- There was a common view that time allocation information was required to provide an understanding of cost and use of resources, even if it is not a TRAC requirement; and
- There appears to be higher levels of success with TRAC and time allocation where they are seen as part of the management process, rather than just being a response to a funders requirement.

### 3. Research findings

## 3.5 Findings from institutional visits

### Recommendations

The following recommendations are arising:

- Consideration could be given to reminding the sector of the option for only collecting time allocation information every three years, in order to potentially reduce the burden of the process. It is however important to balance this gain against the additional time that may be taken to reacquaint people with a process that is operated less frequently. There is also a risk that this method could reduce the validity and acceptance of the data internally, which could affect the utility of the TRAC data.
- TDG may wish to consider whether it or another sector body could provide some practical guidance / workshops to illustrate how TRAC data can be used for other management purposes.
- Institutions should ensure proactive engagement with the relevant union representatives regarding any revisions to the time allocation process, such that agreement can be reached.
- Institutions' routine management information follows categorisations of activity that are different to those required by TRAC. Work is also being undertaken by the Higher Education Statistics Agency (HESA) to appraise its data collection requirements. Therefore TDG should consider consulting with HESA regarding any changes to the data collections it will make in the future to consider whether there is scope to more closely align the time allocation categories with HESA and/or other categories of activity that more closely mirror the categories of activity that are of greater interest to institutions. On conclusion of these investigations, consideration should be given to making representations to the HEFCE Review of TRAC to promote the redesign of the time allocation categories to be more closely aligned to institutional and/or other external (e.g. HESA) data reporting requirements.



### 3. Research findings

## 3.6 International perspectives on time allocation data

The purpose of this section is to understand the practices that are adopted by institutions outside the UK in respect of academic staff time collection.

The basis of the information in this section is a combination of insights gained from KPMG's network of contacts together with some networks of others in the HE sector. In all cases the information provided has not been validated by KPMG.

#### Canada

We understand that there are currently no requirements for institutions in Canada to collect information on academic staff time.

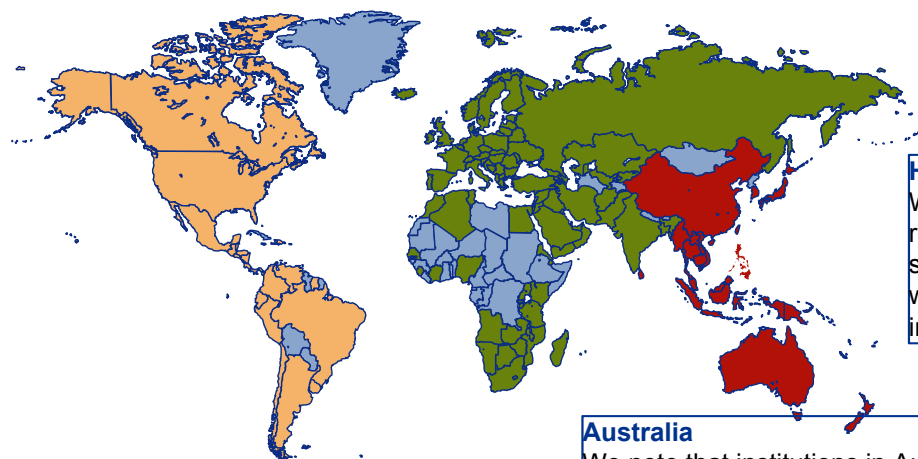
#### USA

In the US the Office of Management Budget, Circular A-21 Revised, sets out the cost principles for education institutions where federal funds are used to support certain activities. These requirements include the need for 'effort reports' to be completed at least every six months by individual academics, outlining the percentage of time spend on the funded activity. This process is similar to that used in the UK to support EC Funded projects.

Our internal counsel has suggested that this process does not generally form part of an institution wide costing system and the US are looking at how the requirements can be simplified further.

#### Ireland

Ireland is progressing with implementing a full cost process. This process is very similar to the TRAC process and it requires three in-year academic activity forms to be completed by academic staff.



#### Hong Kong

We understand institutions in this region are not required to maintain records of how academic staff use their time. There is however some work being undertaken on an institution by institution basis to refine its cost information

#### Australia

We note that institutions in Australia have implemented a system of costing that focuses on research only. This includes the submission of a single time return for every academic member of staff.

We understand that the current method of time collection is not providing results that are wholly accepted as being accurate.

Further developments are however being considered to expand the costing approach to encompass teaching activity, which may also result in alternative / more specific methods for the collection of academic staff time.

### 3. Research findings

## 3.6 International perspectives on time allocation data

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#### Summary

- Based on the limited information we have been able to obtain regarding approaches to time recording overseas, it appears that some countries e.g. Australia is moving towards the costing approach adopted by the UK, as is Ireland.
- None of the Countries reviewed have approaches to academic staff time recording that appear to offer alternatives to the methods in use in the UK, indeed Australia aspires to emulate the practices in the UK.



### 3. Research findings

## 3.7 Analysis of time allocation data

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### The TRAC Return

Section F2 of the annual TRAC return completed by institutions collects data on the allocation of academic staff time across teaching (T), research (R), other (O) and support (S) activities.

Each institution is allocated to a peer group as follows:

- A. Russell Group (all have medical schools) excluding LSE plus specialist medical schools;
- B. All other institutions with Research income of 22% or more of total income;
- C. Institutions with a Research income of 8%-21% of total income;
- D. Institutions with a Research income of between 5% and 8% of total income and those with a total income > £120m;
- E. Teaching institutions with a turnover of between £40m and £119m;
- F. Smaller teaching institutions; and
- G. Specialist music/arts teaching institutions.

### Our analysis

We have analysed the allocation of academic staff time to teaching, research, other and support activities across each of the peer groups.

We started by looking simply at the mean allocation of time across the peer groups, before using median and quartile measures to consider the spread of values in each case. This allowed us to identify the level of variation within peer groups, as well as across them.

We set out on the following pages the results of our analysis.




### 3. Research findings

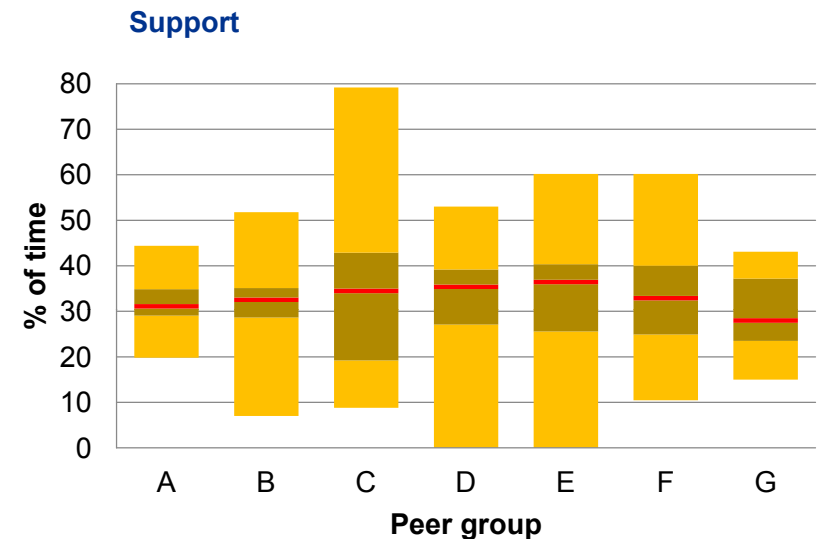
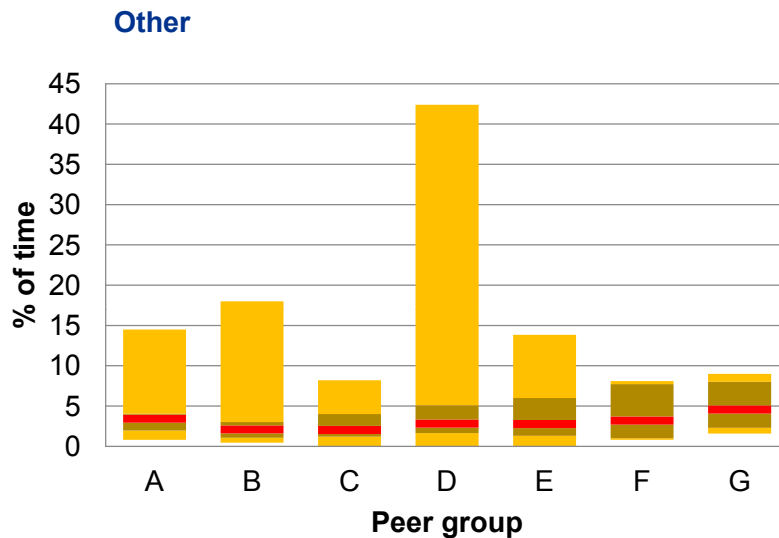
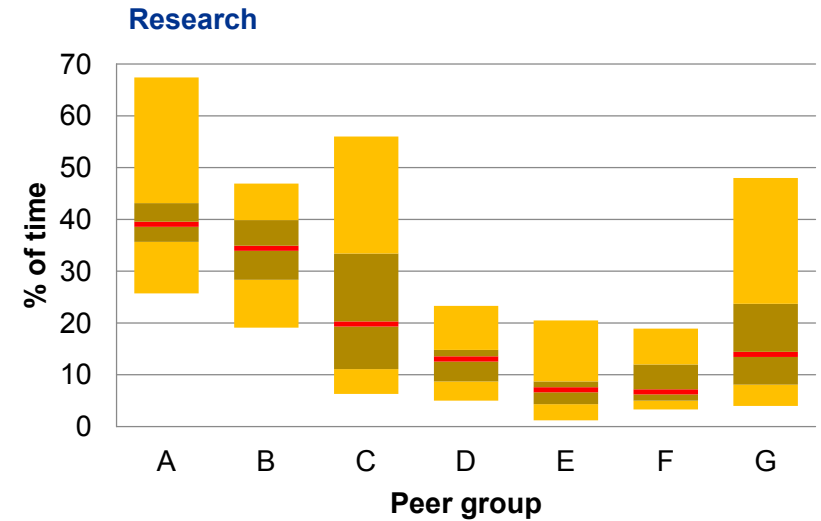
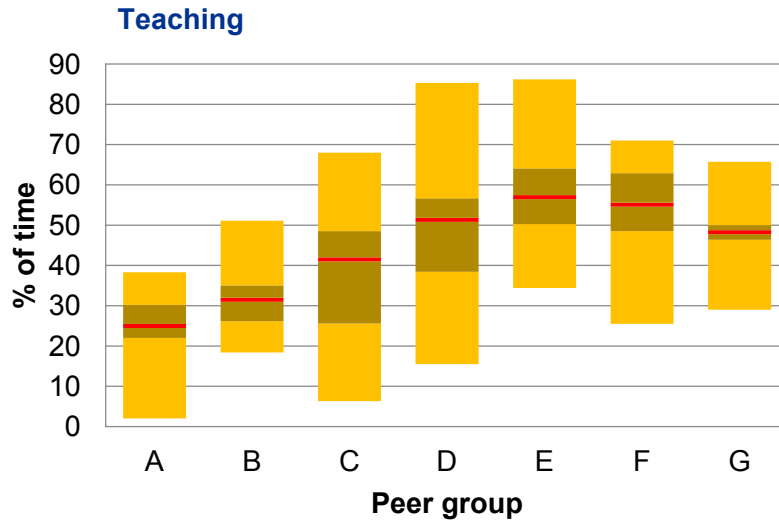
## 3.7 Analysis of 2010-11 TAS data

#### Median and quartile time allocation data across peer groups for the four different activities

Shows the spread of values within each group around the median. The brown clusters show the upper and lower quartiles relative to the Mean. There are relatively small variance across the groups, with the exception of groups C and G.

#### Key

-  Median: The 'middle' value in each series.
-  First to third quartile: Half of all values in each series fall into this range.
-  Minimum to maximum: All values in each series fall into this range.



### 3. Research findings

## 3.7 Analysis of TAS data by method of collection

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#### Summary

- There is the greatest variability of time allocation results in peer groups C and G. Peer group C has a greater diversity of institutions within it, which may explain some of this variation. Group G has very few institutions in the group.
- The proportion of time allocated to teaching increases, as expected, for the more teaching focussed institutions.

## 4. The burden of time allocation

### 4.1 – Understanding the burden of time allocation

#### Background

We are aware that parts of the sector are of the view that the time allocation requirement is overly burdensome. We also note the requirements set out in the HE White Paper, 'Students at the Heart of the system for HEFCE to consult the sector on streamlining the TRAC requirements as far as possible. Although this matter is being taken forward under the HEFCE Review of TRAC, we have explored in this study the burden created by time allocation and TRAC.

This section of the report brings together the insight and intelligence that has been gathered during the different stages of the review.

#### What is the burden of time allocation?

The results of the TAS survey found that 43% of respondents stated that the administrative burden of time allocation was 'fairly reasonable' or 'not a problem'. A further 28% stated that although the burden was high, it was acceptable given the benefits derived from the data, leaving 29% who believe that the burden is 'excessively high'.

We have identified that burden applies to the academic staff completing the returns and the staff responsible for coordinating the process and collating the returns. The following was reported by institutions responding to the survey:

- On average, a little over 2 hours a year are spent by academic staff completing time allocation returns. As a proportion 1650 hours this is 0.14%. At an aggregated sector level we have estimated that based on 2009/10 HESA data the cost of academics providing time allocation information is £11m per year; and
- An average of 42 days per year are consumed by staff administering the time allocation process.

The above suggests that there is not an 'actual' burden of any significance for academic staff, but that the greatest burden lies with the central team in administering the process.

#### What is causing the belief that the process is burdensome?

During the visits to institutions we explored with a range of different staff the possible drivers for why the time allocation process is viewed as being burdensome. The following factors were cited as contributing to what is a perception of the burden of the process:

- There is a lack of clarity as to the purpose and importance of time allocation data amongst academic staff. Unlike the maintenance of timesheets for EC projects, there is not the same connection made between completing time allocation returns and the flow of funds to the institution;
- A lack of acceptance for why the data needs to be collected so regularly;
- Some dissenting views in the sector regarding the credibility of time allocation and TRAC could be dis-incentivising some from complying with the process; and
- The activity categories that are required in the time allocation returns are not immediately aligned to other management information processes in the institution.

We did not encounter any feedback that suggested that the design of the process itself was a cause for the perception of burden. Indeed there was a consistent view that the actual time taken to complete the returns each year is possibly less than the 2 hours stated in the survey.

A hypothesis may prevail here, as the greatest burden is for the central teams that administer and collate the returns, but the need for this is well understood by these individuals. Therefore, although this is a slightly onerous process, it is not generally questioned as its purpose and importance are understood.

## 4. The burden of time allocation

### 4.1 – Understanding the burden of time allocation

#### How can the perception of the burden created by time allocation be addressed?

The first important point to reflect is that the design of the time allocation processes permitted by TRAC has not been cited as exacerbating the burden created. Therefore the balance of effort required to address this issue rests on the communication, institutional support and use for the time allocation and TRAC process. Practical steps that should alleviate the perception of burden amongst the academic community are as follows:

- **Communication** - Greater emphasis should be placed on the importance of communication with the academic community on time allocation, full economic costing and TRAC. Senior Managers within institutions should more consistently and proactively communicate with the academic community to improve the level of understanding regarding why the time allocation data is collected and the financial and other benefits that the institution derives from it. There will be no single way of achieving this and institutions will need to tailor their approaches. Academic representatives that we met during the visits had an appetite for receiving some form of feedback on the time allocation results for their areas / institution. There was also an interest in benchmarking information on this.
- **TRAC is viewed as only being relevant for Research Intensive institutions** – This can therefore further diminish the perceived importance and relevance of the data. Therefore the increasing relevance of the process in respect of teaching e.g. Informing prices and fees, should be emphasised.
- **Senior sponsorship of the process** - The visits undertaken found that visible senior sponsorship for the time allocation and TRAC process had a positive effect on the willingness of staff to cooperate with the process.
- **Automation** - 35% of the respondents to the survey stated that their time allocation process is not automated. Although automation alone is unlikely to resolve the perception of burden alone, it is likely to enable some efficiencies.
- **Embed the process** - We found, as has been found previously, that where the time allocation and TRAC data and information is more integrated in the institution, there is greater buy-in and acceptance of the process. This further supports the observation on the previous page that where the purpose of the process is understood and accepted, there is generally less resistance to it. In communicating this though, it is important to outline that embedding of the TRAC process does not have to mean replacing an existing process. A good deal of value is derived by some institutions where the information is used to corroborate and sit alongside other data sets.
- **Robust reasonableness checking** - The credibility of the data is more difficult to address as there is no single action that can be guaranteed to resolve this. The workload planning approach is favoured by some institutions, partly because of the way the process involves a joint agreement of a plan between the academic and their manager. We reflected in a previous section that the process of reasonableness checking has the ability, if scrutinised closely, to provide a similar level of check and challenge to the results generated by other processes. Therefore the importance of this should be increased, with more relevant examples of how the data can be checked for reasonableness, and institutions more actively encouraged to adjust the data for individuals, in order to present a more reasonable result. We did not identify any examples of time allocation data featuring in appraisal / performance review processes, but if the data being collected is more aligned with the needs of institutions, this could be a route for embedding the process and seeking confirmation or otherwise over the data.
- **Clarification of the minimum required response rate and introduction of a maximum required response rate** – We have identified already that the rationale for the 75% response threshold is not clear. Equally we found institutions that continue to pursue responses well in to the 90%+. It may be possible to reduce the work required in

## 4. The burden of time allocation

### 4.1 – Understanding the burden of time allocation

this area by obtaining statistical clarification regarding the likely minimum and maximum required response rates, and at what level in the institution.

We do however note that with the exception of the communication point these are all messages that TDG has openly communicated to the sector for some time. However, the outcome of the HEFCE Review of TRAC provides an opportunity to 'reset' the direction of travel for TRAC, but to do this, the sector needs to actively engage in the consultation. Therefore, subject to the recommendations of the Review, there is an opportunity to have a cohesive approach to guiding the sector in utilising the approach to best effect.

Notwithstanding the Review of TRAC, it is important that the sector recognises the need to maintain the confidence of funders, by taking appropriate steps to provide information that is supported by reliable data.

#### Dispensation from TRAC requirements

When the TRAC process was designed there was a recognition that the process needed to, as far as possible, be proportionate to different types of institution. A key part of the methodology that provides this proportionality is a 'dispensation' for institutions that meet the following criteria:

*Institutions with Research income from public sources of less than £500k per year are eligible to apply dispensation. A rolling average of Research income (over five years) is used to assess whether £500k has been reached or not.*

*Public sources is defined as 'Recurrent research grants for HE provision (1(a)(ii)); plus Research Grants and Contracts from BIS Research Councils (3(a)), UK Central Government/local authorities, health and hospital authorities (3(c)) and EU government bodies (3(e))', as reported in the HESA Finance Statistics Return Table 6b.*

The dispensation removes the requirement for institutions fulfilling the definition above, from the following requirements:

1. Obtain time allocation data from academics (heads of department could, for example, provide this information);
2. Use more than four to six cost drivers as they allocate indirect costs;
3. Identify space use across the whole institution;
4. Take into account the type of space when allocating space costs;
5. Calculate laboratory technicians and research facility charge-out rates, and apply these separately from their estates rate;
6. Calculate an indirect cost rate or estates rates;
7. Robustly calculate staff FTEs.

We note that although a debate took place in 2008 regarding the appropriateness of the criteria for dispensation, this did not result in a change. As such, the criteria for dispensation have not been revised since TRAC was introduced in 2000.

The dispensation currently only considers Research income volume, but as outlined in section 3.3, the Funders use of TRAC has developed and is not solely focused on Research. Therefore not only may the criteria for dispensation be too low, but the criteria may also be inappropriate, given the broader use of TRAC and fEC by the Funders. It will however be important that the definition for dispensation does not become overly complicated. Therefore, a possible approach will be to specify a de minimis limit of research and teaching income over which the full TRAC requirements apply.

It is not possible to estimate how many institutions may be released from meeting the full TRAC requirements as a result of redefining the dispensation criteria, but this would be an important step in ensuring the continued credibility of the TRAC process.

## 4. The burden of time allocation

### 4.1 – Understanding the burden of time allocation

#### Summary

The key observations in gaining an understanding of the perceived burden of time allocation are as follows:

- The greatest burden arising from the process falls to the administrative staff in coordinating and chasing responses. Beyond the cooperation of individuals in the institution, a key driver for this is the need to achieve a minimum response rate of 75%, where the relevant method is followed. However, we were unable to establish the rationale for why 75% is the minimum threshold. Equally there is no maximum stated threshold over which the value of chasing the return outweighs the benefit derived.
- The 'actual' burden on academic staff is an average of just over 2 hours per year. However, the perception of burden is created by:
  - i) a lack of understanding as to why the data is collected and the benefit that is derived from it;
  - ii) it is not accepted that the variability in the data dictates that it needs to be collected annually (in some cases);
  - iii) the process is generally not part of a process that is used more widely in the institution.
- The estimated cost of academic staff complying with TRAC requirements is £11m, based on 2009/10 cost levels.
- The dispensation criteria from TRAC requirements have not been revised since TRAC was introduced in 2000. Given the elapsed time, together with the broader use of TRAC and fEC information, it would be appropriate to redefine the criteria for dispensation from TRAC requirements.

#### Recommendations

- Following the conclusion of the HEFCE Review of TRAC there should be a clear communication to the sector regarding the purpose and need for TRAC to alleviate the uncertainties that exist at present. Funders should remind the relevant institutions of their expectations for reliable TRAC and time allocation data, given the assurance that is required by Government regarding the efficient and appropriate use of funds. It is important that the sector understands that there is a risk of more punitive requirements being imposed on it if the reported credibility of the TRAC and time allocation data does not improve.
- Work should be undertaken to review the minimum required response rate for in-year non-statistical time allocation methods. As part of this review, a maximum required threshold could also be identified as a way of reducing the burden on the sector.
- The automation of the time allocation process should be promoted as a way of reducing the administrative burden and scope for data error.
- A recent study into the appropriateness of TRAC for informing Clinical Subject Weightings recommended that reasonableness checks should be carried out by both academic and finance staff. This provides a level of corroboration of the information. Our findings also support the need for enhanced and rigorous validation of the time allocation results, therefore this recommendation is supported. Although this is a reinforcement of an existing requirement, TDG should consider promoting the recommendation made in the Clinical Subject Weightings report and work with the TRAC Self Help Groups to provide some practical examples of how institutions could implement the recommendation to enhance the credibility of the time allocation data.

## 4. The burden of time allocation

### 4.1 – Understanding the burden of time allocation

#### Recommendations – (continued)

- A more structured programme of communication with academic staff should be encouraged as a way of increasing the understanding of the purpose of TRAC and time allocation together with the relationship between the time allocation information and income flows to the institution.
- Following the representations that have already been made to the sector regarding the benefits of utilising TRAC data for other purposes, as a basis for enhancing the reliability of the data, we found that there has not been a consistent interpretation of these messages. There are some views that the messages given to the sector regarding the need to use TRAC more broadly are implying that the data set can become the central source of management information, which is not what was intended. Given that this may be discouraging institutions from using TRAC more broadly, TDG should consider providing further clarification, supported by examples, of how TRAC data can be used for other purposes.
- The use of TRAC and fEC by Funders has evolved over time. Therefore the criteria for institutions being eligible for applying the dispensation requirement should be reconsidered.



## 5. Evaluation of options for time allocation

### 5.1 - Evaluation of time allocation options

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#### Background

The study has collated a range of information about the time allocation methods that are in use across the sector together with the perceived advantages and disadvantages of these. We have also researched different time allocation methods.

The previous sections of this report have identified a range of issues and factors to consider in appraising each option for time allocation. This section of the report collates these views in order to identify and appraise the different options for time allocation.

The following options for time allocation were appraised:

- 1 - Timesheets;
- 2 - Non-statistical in-year retrospective collection;
- 3 - Statistical in-year retrospective collection;
- 4 - Workload planning; and
- 5 - Head of Department allocation.

To align the objectivity of the assessment with the different priorities for time allocation that were identified, each option has appraised the advantages and disadvantages, under the following categories:

- Auditability;
- Ability to fulfil Funders' requirements;
- Institutional fit;
- Implementation risk; and
- Resource burden.

The results of this assessment are given on the following pages.

## 5. Evaluation of options for time allocation

### 5.1 - Evaluation of time allocation options

#### 1 - Timesheets

Criteria	Advantage	Disadvantage
Reliability of the data	Depending on the frequency of timesheets, they can require staff to reflect backwards no more than 1-4 weeks, which according to the literature reviewed, increases the likelihood of obtaining reliable data.	To increase the likelihood of a timesheet process being accepted at the current time, institutions would likely have to have no more than 12 returns a year (aligning for EC requirements), and there is currently no evidence that shows the extent of improvement in the validity of the information by taking this step. Institutions compiling timesheets for EC purposes outlined that the purpose of the timesheet can influence the behaviour when completing it. This was also reference on part of the literature review.
Auditability	The process typically enables strong audit trails from source through to summarised analysis.	-
Fulfil Funders' requirements	Timesheets can be flexible in the categories of activity analysis captured, and as such are able to fulfil Funders' requirements, providing that the design is aligned with requirements.	-
Institutional fit	If accepted, timesheets could provide useful management information, beyond the needs of TRAC, should institutions want such information.	Timesheets would be viewed as highly bureaucratic and not aligned with the culture of parts of the sector. We are not aware of an institution using timesheets for management information purposes. Indeed a number of institutions did not accept that the typical purpose for timesheets i.e. To provide a basis for charging, was aligned with the typical business of a university.
Implementation risk		This study suggests that there would be a significant administrative burden in pursuing academic staff for a greater number of returns each year.
Resource burden	There is a theoretical possibility that timesheet information, if required as a condition of funding, could be implemented successfully. This could create scope to improve costing practice, which may increase the financial return to the institution. There are no examples, however, to prove the likelihood of this possibility.	It is highly likely that a timesheet process would increase the administrative cost and burden to the institution.

## 5. Evaluation of options for time allocation

### 5.1 - Evaluation of time allocation options

#### 2 - Non-statistical in-year retrospective collection

Criteria	Advantage	Disadvantage
Reliability of the data	<ul style="list-style-type: none"> <li>The process is well embedded, automated and understood in many institutions.</li> <li>Concerns over the reliability of the data could be lessened through more rigorous validation and reasonableness practices.</li> <li>There is the option to increase the number of returns required 'in-year' to improve the reliability of the data.</li> </ul>	<ul style="list-style-type: none"> <li>There are currently doubts in parts of the sector regarding the validity of the data that is derived from this approach. However, collecting the data more frequently may not be well received by academics and could strengthen some views regarding the burden that the process creates.</li> <li>The literature review suggests that the longer the period that individual have to reflect and recall the activities undertaken, the less reliable the results are likely to be.</li> </ul>
Auditability	<ul style="list-style-type: none"> <li>The process typically enables strong audit trails from source through to summarised analysis</li> </ul>	-
Fulfil Funders' requirements	<ul style="list-style-type: none"> <li>In-year returns already meet the TRAC requirements.</li> <li>The returns can be flexible in the categories of time captured, and can be extended to collect other data required by institutions.</li> </ul>	<ul style="list-style-type: none"> <li>The implementation and acceptance of the process can lead to the data being discredited, which is a concern of funders and other stakeholders.</li> <li>Unless accompanied by strong communication clarifying the purpose and importance of participation in the process, the requirement for reliable and robust data may not be fulfilled.</li> </ul>
Institutional fit	<ul style="list-style-type: none"> <li>As the process is already operating in large parts of the sector, it is known to work and therefore can fit with institutional systems.</li> </ul>	-
Implementation risk	<ul style="list-style-type: none"> <li>Minimal risk, given that it is already in place in many institutions.</li> </ul>	-
Resource burden	<ul style="list-style-type: none"> <li>Minimal additional cost where this or a similar system is already in place.</li> </ul>	-

## 5. Evaluation of options for time allocation

### 5.1 - Evaluation of time allocation options

#### 3 - Statistical in-year retrospective collection

Criteria	Advantage	Disadvantage
Reliability of the data	<ul style="list-style-type: none"> <li>The process is already used for TRAC purposes in the sector.</li> <li>The literature review suggests that the validity of the data collected is increased where observations are focussed on shorter periods of time and where the data is collected shortly after the end of the observation period. A statistical approach enables this as typically staff are looking backwards at short periods of time, e.g. sample weeks, rather than terms.</li> </ul>	<ul style="list-style-type: none"> <li>Without more substantial communication regarding the need and purpose for which the information is collected, the reliability of the results is unlikely to be substantially more reliable than other time collection methods.</li> </ul>
Auditability	<ul style="list-style-type: none"> <li>The process typically enables strong audit trails from source through to summarised analysis.</li> </ul>	-
Fulfil Funders' requirements	<ul style="list-style-type: none"> <li>The statistical approach already meets the TRAC requirements.</li> <li>The returns can be flexible in the categories of activity captured, and can be extended to collect other data if required by institutions.</li> </ul>	<ul style="list-style-type: none"> <li>Institutions need the engagement and cooperation of a statistician to help in designing the approach and reviewing the validity of the results obtained.</li> <li>The implementation and acceptance of the process can lead to the data being discredited, which is a concern of funders and other stakeholders.</li> <li>Unless accompanied by strong communication clarifying the purpose and importance of participation in the process, the requirement for reliable and robust data may not be fulfilled.</li> </ul>
Institutional fit	<ul style="list-style-type: none"> <li>As the process is already operating in parts of the sector, it is known to work and therefore can fit with institutional systems.</li> </ul>	-
Implementation risk	<ul style="list-style-type: none"> <li>Minimal risk, given that it is already in place in many institutions.</li> </ul>	-
Resource burden	<ul style="list-style-type: none"> <li>Minimal additional cost where this or a similar system is already in place.</li> </ul>	-

## 5. Evaluation of options for time allocation

### 5.1 - Evaluation of time allocation options

#### 4 - Workload planning

Criteria	Advantage	Disadvantage
Reliability of the data	<ul style="list-style-type: none"> <li>• There is a consistent message from the sector that the rationale for workload planning (i.e. primarily used for management purposes) and the approach (joint agreement of plans, that are subsequently refreshed), mean that the data obtained is more reliable and representative of the activity delivered.</li> <li>• The use of workload planning for management purposes should provide more balance in the motivations that may exist for portraying a desired picture of activity in the plans.</li> </ul>	-
Auditability	<ul style="list-style-type: none"> <li>• If the process is operated in line with current TRAC requirements, which are not onerous, it should provide the necessary audit trails.</li> </ul>	-
Fulfil Funders' requirements	<ul style="list-style-type: none"> <li>• This is an approach that is allowed by TRAC and indeed has been promoted.</li> <li>• The returns can be flexible in the categories of time captured, and can be extended to collect other data required by institutions.</li> </ul>	<ul style="list-style-type: none"> <li>• The implementation and acceptance of the process can lead to the data being discredited, which is a concern of funders and other stakeholders.</li> <li>• Unless accompanied by strong communication clarifying the purpose and importance of participation in the process, the requirement for reliable and robust data may not be fulfilled.</li> </ul>
Institutional fit	<ul style="list-style-type: none"> <li>• Many institutions already operate different forms of workload plans and a number are formalising these approaches as part of the enhancement of their internal processes. As such, the process fits well with a number of institutions.</li> </ul>	<ul style="list-style-type: none"> <li>• Workload planning is not a solution for all types of institution. It is therefore important that TRAC requirements provide flexibility and a range of different approaches.</li> <li>• Some additional burden will be created to adapt existing workload processes to meet TRAC requirements.</li> </ul>
Implementation risk	<ul style="list-style-type: none"> <li>• The risk is not significant, given that it is already in place in some institutions and others have identified this as a direction of travel.</li> </ul>	-
Resource burden	<ul style="list-style-type: none"> <li>• For a number of institutions these processes are already in place, and therefore represent an existing cost. Using the process for other purposes e.g. TRAC can actually provide a cost and efficiency saving through being able to cease the existing time allocation process.</li> </ul>	<ul style="list-style-type: none"> <li>• Depending on the extent to which the process is already in place, there can be a reasonable level of cost involved in implementing and embedding the process.</li> </ul>

## 5. Evaluation of options for time allocation

### 5.1 - Evaluation of time allocation options

#### 5 - Head of Department allocation

Criteria	Advantage	Disadvantage
Reliability of the data	<ul style="list-style-type: none"> <li>A number of institutions have identified that this should achieve more reliable data that is suitable for TRAC purposes.</li> <li>Some institutions outlined that this method has been used to inform course costing processes.</li> </ul>	<ul style="list-style-type: none"> <li>The process does not involve individuals, which could reduce the validity of the results.</li> <li>This approach reduces the level of reasonableness and corroborative checks, given that the information is provided by the Head of Department.</li> <li>The process may not be perceived externally as being robust and transparent.</li> </ul>
Auditability	-	<ul style="list-style-type: none"> <li>Although audit trails could be maintained for the numbers returned, completion of the returns would have large elements of judgement that did not involve the individual members of staff. To 'audit' such information would have to rely on other corroborative data sets.</li> </ul>
Fulfil Funders' requirements	-	<ul style="list-style-type: none"> <li>This is an approach that is not currently recognised in the TRAC requirements.</li> <li>The extent of judgement, reduced ability to corroborate the information and the extent to which the data is auditable may not be readily accepted by Funders.</li> </ul>
Institutional fit	<ul style="list-style-type: none"> <li>This would represent a practice that is in keeping with the operation of many institutions.</li> </ul>	<ul style="list-style-type: none"> <li>There would be a reduction in the level of management information available to the institution.</li> </ul>
Implementation risk	<ul style="list-style-type: none"> <li>Very minimal risk, given that the process does not directly affect large numbers of staff.</li> </ul>	<p>It would be important for institutions to be transparent with Union colleagues to prevent any misunderstanding regarding the purpose of the process.</p>
Resource burden	<ul style="list-style-type: none"> <li>Minimal cost as there would be significantly fewer returns to administer there is likely to be a cost saving in administrative time.</li> </ul>	-

## 5. Evaluation of options for time allocation

### 5.1 - Evaluation of time allocation options

#### Summary

##### *Timesheets*

This approach has the potential, theoretically, to produce valid results that can fulfil TRAC requirements and provide information for institutions that could enable efficiency. However, at the current point in time, the burden of implementing such a process together with the risk of the implementation failing to secure the cooperation of the academic body would suggest that at the this is not a realistic option. TDG should however consider noting this as an option for collecting time allocation data in the TRAC guidance.

##### *Non-statistical in-year retrospective collection*

The process is the favoured solution currently in use. As such the practice is embedded in large parts of the sector. This is however a process that is associated with the criticism that the time allocation data is not reliable. There is also a view obtained from the literature review that the reliability of the results is reduced where staff are reflecting on their use of time over long periods of time. Currently the TRAC requirements permit a minimum of three returns per year (each looking back at four months) and permit these to be submitted up to two months after the close of the collection period. This means people can be reflecting on their activities over six months ago.

The respective institutions have invested significant time and effort in establishing this process. Therefore, unless the benefits of alternative processes were significant and conclusive, resources may best be used to refine this approach, possibly by revising TRAC requirements to require either more returns each year, and/or restricting the time period within which returns need to be submitted, together with significant emphasis being placed on the process of reasonableness checking.

This approach is not burdensome for academic staff, but does have an administrative overhead for central teams.

##### *Statistical in-year retrospective collection*

This approach is used in the sector and has the ability to mirror better practice identified in the literature review, whereby academics are reflecting on shorter, more recent period of time, which is understood to increase the reliability of the data.

There is however some variation in the approaches actually adopted (sample weeks, sample staff, a combination of the two, conducted every year, conducted every 2-3 years etc.) as institutions have the flexibility to design and agree the process with a statistician.

As with the previous approach though, this is a process to which some of the current criticisms can relate and therefore more work is required to increase the validity of the data, through a combination of communication.

The level of burden for this approach is not significant for academic staff and dependant on the design of the process can be less or more burdensome than the non-statistical in-year retrospective collection.

##### *Workload planning*

This approach is increasing in popularity and although there are relatively few institutions using the method at present, it is under development for TRAC purposes in 10 institutions surveyed, but over 40 institutions declared that they use workload planning for other purposes in their institutions.

There is not a significant body of evidence that proves whether this approach provides more reliable information, but there is a consistent view from many in the sector, that this will provide more valid data. The rationale for this is that there is joint agreement between the individual and line manager regarding the workload. The process is also used primarily for institution purposes, rather than in respect to Funders' requirements alone.

## 5. Evaluation of options for time allocation

### 5.1 - Evaluation of time allocation options

#### *Head of Department allocation*

This approach has scope to remove almost all burden from academic staff and would significantly reduce the administration of the time allocation process. It would enable and issues regarding the extent to which research activity benefits teaching, and vice versa.

However, the removal of the academics from the process may attract external criticism and there would be reduced avenues through which the reasonableness of the data could be confirmed and the ability for the results to be biased for any particular reason would not be removed. This creates a risk of the data not being accepted as credible. It would also reduce the level of management information that is available on the allocation of academic staff time.

This approach is not currently permitted by the TRAC guidance and given the analysis in this section we would not propose this as a suitable option for institutions to pursue for TRAC purposes.

#### **Recommendations**

- The current approaches to time allocation recognised by the TRAC guidance should be maintained. The TDG, as custodian of the TRAC Guidance, should consider whether to tighten the requirements for the non-statistical in-year retrospective allocation method, given the period of time that individuals can be looking backwards to recount how they spent their time.

- Given that a number of institutions are at a developmental stage with adapting workload plans to meet TRAC requirements, consideration should be given to developing a practical example of how workload planning models can be aligned with TRAC requirements to enable an element of consistency in the practices to be adopted. Moving forwards it may be appropriate to assess the variations in the standard allocations of time that are given in some workload allocation models (commonly referred to as 'tariffs') to appraise whether TRAC guidance needs to provide some accepted parameters for different tariffs.
- Institutions' routine management information follows categorisations of activity that are different to those required by TRAC. Work is also being undertaken by the Higher Education Statistics Agency (HESA) to appraise its data collection requirements. Therefore TDG should consider consulting with HESA regarding any changes to the data collections it will make in the future to consider whether there is scope to more closely align the time allocation categories with HESA and/or other categories of activity that more closely mirror the categories of activity that are of greater interest to institutions. On conclusion of these investigations, consideration should be given to making representations to the HEFCE Review of TRAC to promote the redesign of the time allocation categories to be more closely aligned to institutional and/or other external (e.g. HESA) data reporting requirements.



# Terms of reference for this study

### Background

The QAV review that was undertaken in 2008-09 identified a large number of issues in respect of the time allocation process, which casted some doubt over the reliability of the time allocation data used in the TRAC models. Anecdotally the time allocation data remains an area of debate and scepticism, which can reduce the credibility of the TRAC data. TDG recognised this and responded by producing Update 4 to the TRAC guidance.

In light of the importance of robust time allocation data being used in institutions' TRAC models, TDG has agreed to undertake a review to appraise the time allocation methods in use and appraise their advantages and disadvantages with a view to making a recommendation/endorsement of the most appropriate methods for the TRAC guidance to recognise.

### Terms of Reference

The review has encompassed the following stages:

- Review of previous assessments and reviews of time allocation methods;
- To identify key stakeholder (institutions and funders) requirements for time allocation;
- Analyse and review the time allocation data returned in the 2009/10 TRAC returns to understand the extent of variability in the data reported;
- To obtain information from RCUK regarding current findings on time allocation from their Funding Assurance visits;
- To conduct a survey across the HE sector to collate information regarding the time allocation methods used, the perceived strengths and weaknesses of the chosen approach, the administrative burden of the time allocation and TRAC process, any alternative time allocation processes that are used by institutions and the decisions taken in respect of adopting key elements of Update 4 in respect of time allocation approaches;

- To informally research the approaches adopted by universities in other countries for time recording, using KPMG's international network; and
- To undertake a number of visits to a sample of institutions to understand: i) what information they require for purposes other than TRAC; ii) their time allocation process; iii) any issues or difficulties that the institution has to overcome with the process; iv) What steps have been taken / are required to secure the buy-in of academic staff to the process and to understand how time allocation requirements and processes 'fit' with the culture of institutions and the HE sector more generally; v) what other approaches the institutions use to monitor and appraise the deployment of its academic staff; vi) views regarding how time allocation could be simplified; and vii) how the TRAC information is used beyond the production of the two TRAC returns and the reasons for this.

In undertaking the process above, we sought to address the following questions, posed by the HEFCE Review group:

- Is it essential that a fixed methodology is prescribed, or could guidance work on a principles / outline basis to provide greater flexibility to institutions?
- What is the lowest burden way of delivering robust TAS?
- What options for TAS avoid a 'one size fits all', such that collection requirements are tailored to the different types of institution?
- What can be done to simplify the time collection requirements such that they more closely align with institutions own needs?
- How do we get academics bought into the need to collate and report TAS data if the review deems that this is required?

The information collected from all stages of the review will be analysed to ascertain whether there are any explanations or consistent themes that explain why certain behaviours and views prevail.

## Terms of reference for this study

The information collected from all stages of the review will be analysed to ascertain whether there are any explanations or consistent themes that explain why certain behaviours and views prevail.

The information and insight gained from the above will be used to identify the key options for time allocation and assess the strengths and weaknesses of these approaches in the context of institutional and stakeholder requirements. It will also identify the estimated time that is consumed by maintaining the TRAC systems, including time allocation, and producing the TRAC return.

### Stages of the review

We have provided a summary below to illustrate the key activities that will contribute to the review.

Activity	Purpose
Desk based review of existing reference material and TRAC requirements	To appraise work undertaken previously on TAS methods To identify relevant sector context (e.g. Key Information Sets, MIPs etc.) that is relevant to collection of academic staff time To re-appraise the TRAC requirement to identify scope for simplification
TAS data analysis as submitted in 2009/10 TRAC returns	To understand the variability in TAS results by type and size of institution. This information will later be re-visited to look at the variability in results according to the method of TAS currently used.

Activity	Purpose
Survey of the sector on TAS approaches	To collate information on: <ul style="list-style-type: none"> <li>the different approaches to TAS</li> <li>the methods used to gain acceptance and engagement of academic staff</li> <li>understand what other time information is held on academic staff</li> <li>understand what time information the institution's management processes use currently and what will be required in the future</li> <li>estimate of time taken by academic to comply with TAS requirements and the time taken centrally to collate and review the data</li> <li>estimate of the time taken by the institution to administer the TRAC process</li> </ul>
Self Help Group Chairs consultation and feedback on the review	To clarify the extent of existing research and benchmarking that already exists on TAS To provide an opportunity for SHG Chairs to be active in promoting the review through their networks To obtain feedback and views that can input to the review

## Terms of reference for this study

Activity	Purpose
Research of approaches to allocation TAS information in other Countries	This aims to collect some very high level insight, using the KPMG network, to understand the requirements and/or practices that exist in other countries for maintaining records of academic staff time. This will be used to compare the requirements and needs in the UK.
Visits to a sample of institutions	Research TAS methods in more detail. Gain an understanding of what information is required for management purposes and how TRAC does or does not address these needs and to gain further insight into the reported burden that TRAC places on the sector. These visits aim to meet with: TRAC practitioners, Director of Finance, Registrar/Head of Planning, TAS coordinator and an academic representative.
Discussions with Funders	To clarify / update out understanding of their requirements both currently and in the future that could impact on the need for TAS (or similar) information
Interaction (phone calls / emails and brief questionnaire) with institutions participating in the working groups on the MIPS	To obtain an update on whether the MIP subject areas are being developed and progressed in their institutions To understand if and what time information is being used to inform these approaches in order to understand what other options could be considered and the possible merits of these in the context of gaining academic buy in

Activity	Purpose
Meeting with sector body representatives (BUFDG, AHUA, Higher Education Public Information Steering Group)	To obtain contextual information that the review needs to consider

## Appendix 2

### Institutions visited

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Detailed in the table below is a list of institutions that were visited and/or contributed to this study:

Institution
Cardiff University
Heriot Watt University
Oxford Brookes University
Sheffield Hallam University
University of Birmingham
University of Bradford
University of Cambridge
University of Derby
University of Durham
University of Leicester
University of Oxford
University of West of England
University for the Creative Arts
York St John University

## Appendix 3

# Survey questions

Detailed in this section are the questions that were asked of institutions in the survey that was conducted as part of this study:

Name of institution
Name of person completing questionnaire
Job title of person completing questionnaire
Contact telephone number
Contact email address
Would you be happy for us to contact you to discuss your responses further?
Does your institution take advantage of the dispensation for institutions with research income of less than £500,000, exempting it from the requirement to collect robust staff time allocation data?
Which approach has your institution adopted to the collection of academic staff time data? (Please select one.)
Does your TAS method collect information at a level of detail that meets or exceeds the minimum TRAC requirements?
Has your institution always used the TAS method that it currently uses?
If the institution has changed its TAS method at any point, please give brief details of the main reasons for this change.
What do you see as being the main advantages of your institution's current TAS method?
What do you see as being the main disadvantages of your institution's current TAS method?
Does your institution plan to change its TAS method in the next two years?
If yes, please give details.
Do you use information technology packages to facilitate the collection, analysis and / or reporting of TAS data? (Please select all that apply.) - Data collection
Do you use information technology packages to facilitate the collection, analysis and / or reporting of TAS data? (Please select all that apply.) - Data analysis

Do you use information technology packages to facilitate the collection, analysis and / or reporting of TAS data? (Please select all that apply.) - Data reporting
Please give details of the packages used.
Which methods have you used to engage members of academic staff with the time allocation survey? (Please select all that apply.) - Newsletters
Which methods have you used to engage members of academic staff with the time allocation survey? (Please select all that apply.) - Web pages
Which methods have you used to engage members of academic staff with the time allocation survey? (Please select all that apply.) - Workshops
Which methods have you used to engage members of academic staff with the time allocation survey? (Please select all that apply.) - Champions
Which methods have you used to engage members of academic staff with the time allocation survey? (Please select all that apply.) - Other
If you have selected 'other', please give details.
Which approach has been the most successful? Please give details.
Which approach has been the least successful? Please give details.
Do you collect other data on staff time? (Please select all that apply.) - None
Do you collect other data on staff time? (Please select all that apply.) - Workload planning system
Do you collect other data on staff time? (Please select all that apply.) - Non-TAS timesheets
Do you collect other data on staff time? (Please select all that apply.) - Other
If you have selected 'other', please specify.

## Survey questions

Which members of staff does this data cover? - All staff
Which members of staff does this data cover? - All academic staff only
Which members of staff does this data cover? - Non-academic staff only
Which members of staff does this data cover? - Academic staff working on EU-funded projects
Which members of staff does this data cover? - Academic staff engaged in consultancy
Which members of staff does this data cover? - Other
Do you use TAS data for anything other than TRAC compliance? (Please select all that apply.) - No
Do you use TAS data for anything other than TRAC compliance? (Please select all that apply.) - Internal costing
Do you use TAS data for anything other than TRAC compliance? (Please select all that apply.) - Resource allocation
Do you use TAS data for anything other than TRAC compliance? (Please select all that apply.) - Fee decisions
Do you use TAS data for anything other than TRAC compliance? (Please select all that apply.) - Assessing departmental performance
Do you use TAS data for anything other than TRAC compliance? (Please select all that apply.) - Assessing the performance of individual academics
Do you use TAS data for anything other than TRAC compliance? (Please select all that apply.) - Other
If you have selected 'other', please specify.
Which sources of time information do you currently use in your internal management processes? (Please select all that apply.) - TRAC
Which sources of time information do you currently use in your internal management processes? (Please select all that apply.) - Workload planning system
Which sources of time information do you currently use in your internal management processes? (Please select all that apply.) - Non-TAS timesheets
Which sources of time information do you currently use in your internal management processes? (Please select all that apply.) - Other
If you have selected 'other', please specify.

Which is your primary source of staff time information? (Please select one.)
What additional staff time information do you think you will require in the next two to five years? Why?
Which changes have you implemented in response to TRAC Update 4? (Please select all that apply.) - 1. New definition of the academic staff activity that is to be recorded in TRAC time allocation systems
Which changes have you implemented in response to TRAC Update 4? (Please select all that apply.) - 2. New allocation of institution / own-funded research time according to its primary purpose
Which changes have you implemented in response to TRAC Update 4? (Please select all that apply.) - 3. Permitted use of a workload planning / management approach
Which changes have you implemented in response to TRAC Update 4? (Please select all that apply.) - 4. Robust reporting of activity by research sponsor type
Approximately how many members of your institution's academic staff participate in the TRAC time allocation process each year? (Please enter a number.)
How many HOURS do you estimate that each participating member of academic staff spends completing TRAC time allocation records each year? (Please note that we are asking only for a rough estimate.)
How many PERSON DAYS per year of staff time (excluding academic staff completing time allocation returns) do you think your institution spends collating, reviewing and submitting TRAC time allocation data? (A rough estimate is fine here, too.)
In your view, is the administrative burden of time allocation recording on academics and central staff, when considered in light of the benefits gained from it by the institution (please select one):
What aspect of TRAC time allocation recording is the most burdensome for your institution?
How do you think the administrative burden of the TRAC time allocation process could be reduced?
On average, how many person days of central staff time does your institution spend maintaining the TRAC system and producing the two TRAC returns? (An estimate is fine here. It should exclude time spend by academic staff completing TAS returns, but should include line managers for the TRAC function, e.g. TRAC Manager, Director of Finance, etc., as well as central staff involved directly in the process.)

## Appendix 3

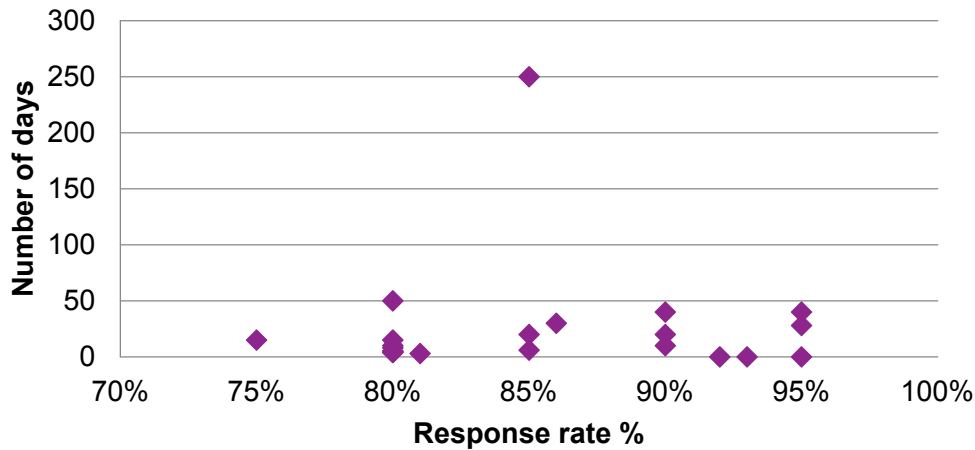
### Survey questions

Overall, how satisfied are you with the TRAC time allocation recording requirements? (Please select one.)
If time allocation recording was not a requirement of TRAC, would your institution collect data on academic staff time allocation (in some way, shape or form) anyway?
Do you have any further comments on the time allocation process or on how you think it could be improved?
Do you survey - all academics every year?
Do you survey - all academics in a year, repeated every three years?
Do you survey - some academics each year, covering all academics in a three year cycle?
Do you survey - a statistical sample of academics each year (statistical method)?
How many time schedules do you use per year?
What is a typical response rate for the institution as a whole?
For how many years have you used workload planning to inform TRAC time allocation?
In your view, has using WLP to inform TRAC given you more accurate time allocation data than before? - Yes
In your view, has using WLP to inform TRAC given you more accurate time allocation data than before? - No
Which approach do you use? - Structured interviews
Which approach do you use? - Workshops
Which approach do you use? - Diaries
Which approach do you use? - Other
Please give brief details of your approach.
Does this approach cover all academic staff or a statistical sample?
Peer Group

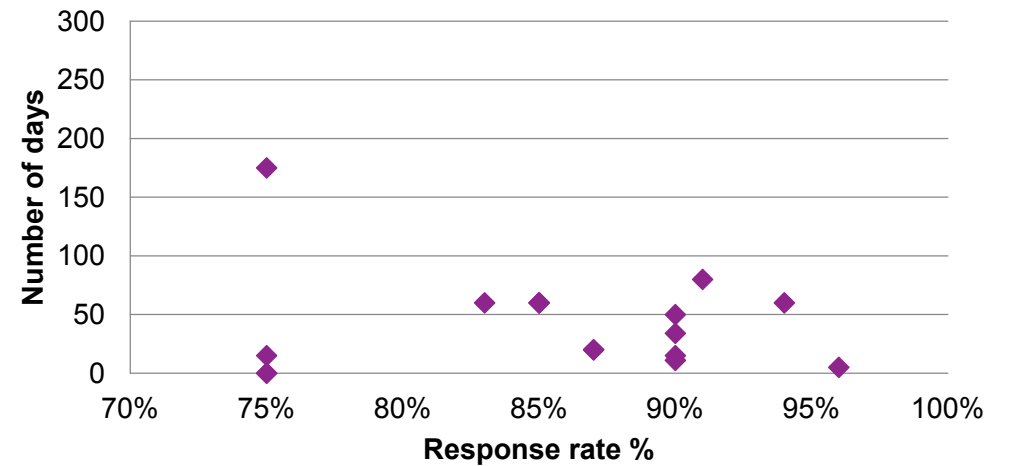
# Analysis of administrative time consumed in administering the TAS process

The graphs below support the analysis in section 3.4 and show the distribution of effort expended by central administrative staff in administering the time allocation process, compared to the response rate achieved.

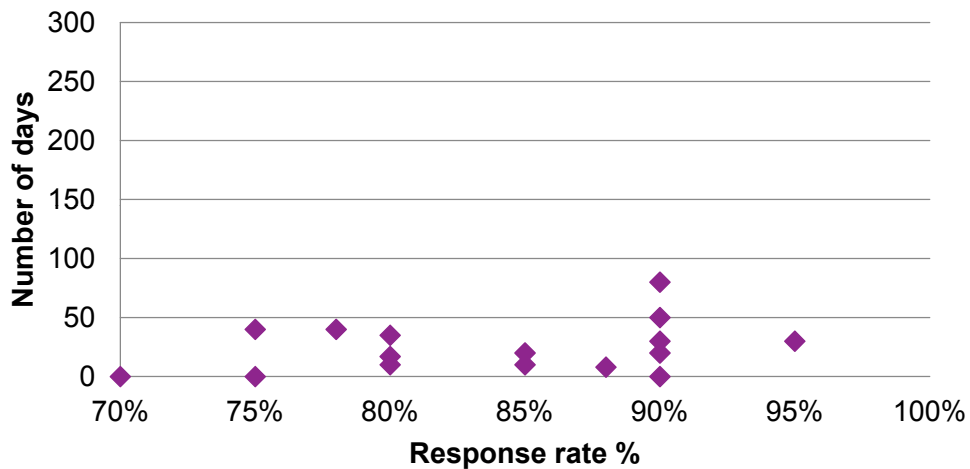
**In-year collection, all academic staff every year**



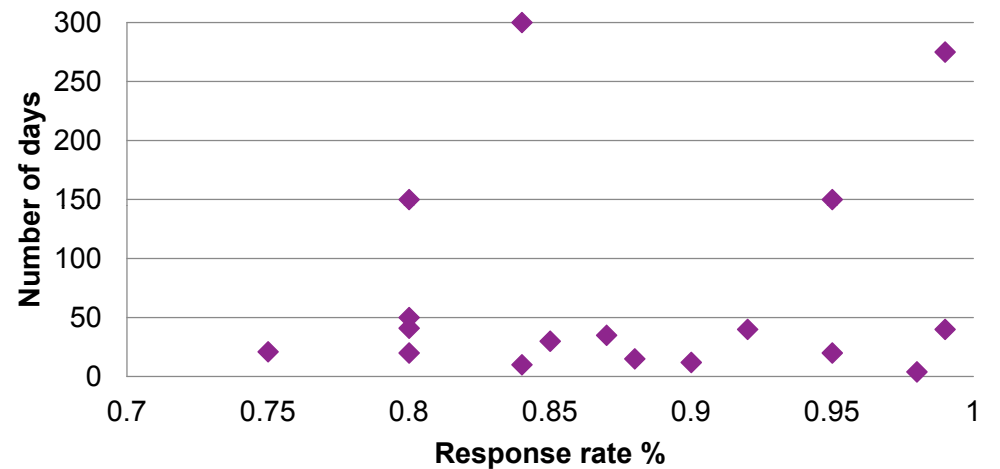
**In-year collection, all staff in one year, repeated every three years**



**In-year collection, all staff over a three year period**



**In-year collection following a statistical method**





## List of abbreviations

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AHUA	Association of Heads of University Administration
BUFDG	British Universities Finance Directors Group
EC	European Commission
fEC	Full Economic Costing
FSR	HESA Financial Statistics Return
FSSG	Financial Sustainability Strategy Group
HE	Higher Education
HEFCE	Higher Education Funding Council for England
HEFCW	Higher Education Funding Council for Wales
HESA	Higher Education Statistics Agency
QAV	Quality Assurance and Validation of TRAC
RCUK	Research Councils UK
SFC	Scottish Funding Council
SHG	TRAC Self Help Group
TAS	Time Allocation Survey
TDG	TRAC Development Group
TRAC	Transparent Approach to Costing
UK	United Kingdom
WLM	Workload Model
WLP	Workload Planning