Candidate brief for the position of Chief Financial Officer
The Open University
March 2019
About The Open University

The Open University (OU) is the largest university in the UK by student population and has a significant global reach through a network of alumni in over 150 countries, international partnerships and research. The OU is the only university to receive funding from, and operate in, all four nations of the UK.

The OU was established in 1969 with a unique aim. Our mission was to provide a new style of university education that was truly open to people, places, methods and ideas, to improve lives and enrich communities in the UK and across the world. As we enter our fiftieth year, and with more than two million people who have studied with us, the commitment to our mission is as strong as ever. That’s why we continue to evolve and adapt our teaching methods and technology to support student success in a rapidly changing world.

A unique institution

The OU is unique. A world leader in open access, supported open learning and open educational resources, our distance learning approach sets us apart from other universities. Our commitment to open entry requirements means the OU has an unrivalled reach and influence on today’s society. Our flexible approach supports people of all ages and backgrounds to study and achieve their potential. Through academic research, teaching innovation and partnerships, the OU constantly breaks new ground in the design, content and delivery of supported open learning.

Open, ambitious, innovative and inclusive

We believe anyone, anywhere, can study with The Open University. Around 174,000 students are currently studying with us, and these include:

- Around 24,000 disabled students
- 1,500 students in prison or other secure environments
- Students sponsored by FTSE 100 companies and major public services like the police and the NHS

In excess of 1,000 students on apprenticeship courses. Some other highlights include:

- An overall satisfaction rate of 90% in the latest National Student Survey.
- A unique partnership with the BBC since 1971 and co-production of approximately 35 prime-time TV and radio series every year. During 2017/18, OU-BBC TV and radio programmes were listened to or viewed 351 million times, including the flagship Blue Planet II series.
- We grew our Massive Open Online Courses, provided through the University’s subsidiary company, FutureLearn Limited, to 20.6 million registrations from 8.2 million learners across the world.
- Free-to-use courses and modules on our OpenLearn in-house platform received 7.8m views in 2017/18.
- Being one of the top three space science centres in the UK.
- Providing free educational resources to teachers and healthcare workers in sub-Saharan Africa and India, reaching over two million people.
- A Business School that is part of the top 1% of global business schools who are triple accredited by the world’s leading management education associations.
Values

Our c. 9,000 staff remain true to a clearly defined set of core values. First, we are inclusive, playing a unique role in society by providing higher education open to all and promoting social justice through the development of knowledge and skills. Second, we are innovative, leading the learning revolution, placing innovation at the heart of our teaching and research, continuously seeking new and better ways to inspire and enable learning, and creating world class research and teaching. Third, we are responsive to the needs of individuals, employers and communities, and dedicated to supporting our students’ learning success.

Location

The University has its headquarters on a purpose-built campus of approximately 110 acres in the south-east of Milton Keynes. It also has national headquarters in Edinburgh, Cardiff, Belfast and Dublin, and bases in Manchester and Nottingham.

Leadership and governance

The University is a chartered institution and received its Royal Charter on 23 April 1969. It is an exempt charity registered in England and Wales and regulated on behalf of the Charity Commission by the Office for Students. It is also registered as a charity in Scotland.

The University's governing body is the Council, which focuses on the University’s overall strategy, finances, property and staff, and is supported by a number of subcommittees, such as Finance and Audit Committees. The Council has the ultimate authority within the OU, but it has to respect the views of the Senate in academic matters. The Senate is the academic authority of the University, responsible for academic strategy, policy, priorities and performance. The Vice-Chancellor is accountable to the Council for maintaining and promoting the efficiency and good order of the University. The University’s Chancellor is Baroness Lane-Fox of Soho and its Pro-Chancellor (who also chairs the Council) is Malcolm Sweeting.

More information on the OU’s leadership and existing structure can be found here.
Mission and Strategy

The Open University’s mission is to be open to people, places, methods and ideas. Our key strategic priority is student success.

Mission

We promote educational opportunity and social justice by providing high-quality university education to all who wish to realise their ambitions and fulfil their potential. Through academic research, pedagogic innovation and collaborative partnership we seek to be a world leader in the design, content and delivery of supported open learning.

Most of our undergraduate courses have no formal entry requirements. We believe that the qualifications our students have when they leave are the only ones that matter. We are committed to promoting equal opportunities for all, and close monitoring makes sure that we live up to our ideals.

Our Annual Reports provide a record of our work, events, projects and financial highlights year by year. More information on the OU’s Mission and Academic Strategy can be found here.

Strategy

Through our scale, reach and our ability to support students to succeed we achieve a positive impact on society and the economy. This includes:

- Understanding our students’ study goals and ensuring they get onto the right study path at the right level
- Supporting our students to successfully progress through and complete their chosen module(s) or qualification
- Delivering a high quality and flexible student experience with high levels of student satisfaction
- Supporting students to achieve positive career and personal development outcomes.

The focus on student success is underpinned by a set of related objectives, which together will achieve our overall vision:

- Delivering excellent teaching and research to enhance our distinctiveness, reputation and, above all, student success
- Enhancing our future growth and sustainability by diversifying our reach and sources of income and managing and challenging our cost base, to ensure our financial sustainability, headroom for re-investment back into the University, and value for our students
- Investing in technology that enables success – both student facing technology and our own internal systems
- Fostering a dynamic and inclusive culture by investing in staff to recognise and maximise their contribution to our success.

More information on the OU’s Strategic Objectives can be found here.
Student Success

Student success is central to everything the OU does. Our degree ceremonies are always the highlight of the university year because they let us wholeheartedly celebrate the success of our students.

This year we celebrated with more than 8,000 graduates at 29 ceremonies in 14 locations. Those 8,000 were joined by over 26,000 guests – supportive family and friends who cheered, clapped, whistled and whooped during each event. And we conferred 34 honorary degrees.

OU students are represented by the OU Students Association. Run by students, for students, it ensures that the student voice is heard. The OU Students Association works with the University to ensure that students are involved as partners in shaping their studies. Although OU students learn at a distance, we work to ensure they all have the opportunity to be involved in giving their views on the curriculum or institutional change and development.

Student Profiles

There is no typical OU student. People of all ages and backgrounds study with us, for all sorts of reasons:

- To update their skills, get a qualification, boost their career, change direction, prove themselves, or keep mentally active.
- 76% of directly registered OU students work full- or part-time during their studies
- 23% of OU UK undergraduates live in the 25% most deprived areas
- 34% of new OU undergraduates are under 25

We are the largest provider of higher education for people with disabilities:

- 24,709 students with disabilities studied with us in 2017/18
- Our open admissions policy helps thousands of people who failed to achieve their potential earlier in life
- 34% of students had one A level or a lower qualification at entry

Student Stories

The OU’s students have some remarkable personal stories. For example:

Fatema fled from her home country of Bangladesh to Cyprus at 16 without finishing school. Investing all of her time in daily survival, she never had the opportunity to resume her schooling. Upon hearing about The Open University and its open to all policy, she enrolled on a Social Work course.

John grew up in Cardiff and was unable to read or write. He reached his mid-30s having never read a book, and it was later discovered he has severely dyslexia, ADHD, and Meares-Irlen syndrome. Despite these challenges, John graduated with an OU Science Degree at the age of 46.

Read more student stories here.
Finances and Key Statistics

In 2017/18 the OU had 174,898 students (64,914 full time equivalent). Total income was £424m, of which £271m came from tuition fees and education contracts, £101m from funding body grants, and £14m from research grants and contracts. The University receives funding from the Office for Students (OfS) in England, and the funding bodies in Scotland, Wales and Northern Ireland, but its principal financial regulator for all the nations is fulfilled by OfS. The majority of its expenditure is on its staff and the infrastructure to support distance part-time education. The University has a strong balance sheet with substantial reserves. A programme of agreed strategic change driven cost-reduction measures will support delivery of the OU’s financial strategy for financial sustainability. The strength of the reserves has enabled the investment in strategic change to build for our future to be done without recourse to external funding.

Full Annual Reports and Financial Statements can be found here.

Key Statistics

The Open University has spent almost 50 years inspiring learning and creating higher educational opportunities with no barriers to entry. We continue to demonstrate excellence in research and teaching and achieve enormous reach through use of open access educational resources and our partnership with the BBC.

Growing our attractiveness to students

- We increased the number of students studying with us to a level last seen in 2013/14 and improved our student satisfaction score in 2018 National Students Survey.

Gaining External Endorsement of the excellence of our Teaching and Learning.

- We secured continuance of triple accreditation for our MBA, keeping us in the top 1% globally, and we have excelled in all our professional programme reaccreditation and quality assurance assessments.

Extending our reach

- We remain the largest University in the UK and one of the largest in Europe in terms of student numbers. We grew online courses provided through the University’s subsidiary company, FutureLearn Limited, to 20.6 million registrations from 8.4 million learners across the world, and we have established are growing Higher Level Apprenticeships.

Enhancing our multiple media channels

Use of our multiple media channels continues to grow. Total downloads from The Open University iTunes U service reached 72 million, video views of Open University content on YouTube reached 50 million, and there were 7.8 million unique visits to the University’s open educational resource website, OpenLearn. We achieved significant recognition for programmes including Blue Planet II, The Prosecutors, and The NHS at 70.

Extending our global footprint

- We continue to work in partnership with internal development agencies to deliver life-changing educational programmes across three continents.
Building for our future

- We commenced an ambitious and far reaching programme of strategic change to enhance our students’ experience and interaction with the University, and to upgrade and improve our student facing support systems and processes.

The Finance Division

In response to the University’s current strategic change programme, which includes replacement of core IT systems and a strategic focus on financial sustainability and income diversification alongside external environment challenges, the senior leadership of the Finance Division is being refocused.

The current Group Finance Director is being repositioned as the Chief Financial Officer (CFO), supported by a new role initially entitled Deputy Group Finance Director who will focus on the operational, accountancy, shared services, and regulatory work of the Finance function.

The change to the broader role of a CFO will allow it to have a more strategic focus on external stakeholder engagement, commercial development and income diversification, as well as support the Vice-Chancellor’s executive and development of University strategy. It is also envisioned that the University will be appointing a Chief Commercial Officer, who will report to the CFO.

The Deputy Group Finance Director will support the CFO in the strategic and operational leadership of a portfolio of finance activities University-wide, as well as in the delivery of the University’s financial strategy and the optimal generation and use of the University’s resources. You will also lead the day to day management of the Finance function in the University.

Under the current Finance Transformation strategic change project, the finance function will compromise centrally based professional and specialist teams and locally based business partnering teams. Finance Transformation will introduce the changes required to achieve this operational structure in parallel with implementation of a new SAP system, which will replace current finance, HR and student administration systems. Implementation of the structural changes is expected to take place in the first half of the University’s 2019/20 financial year, with the finance system scheduled to go live in the second half of the financial year.
The Role

The Open University is seeking to appoint an excellent finance leader to the position of Chief Financial Officer (CFO). The CFO is a key member of the Executive Team, reporting directly to the Vice-Chancellor.

There will be two Divisions within the CFO’s portfolio:

The Finance and Business Services Division

This division provides accounting, procurement, payroll, pensions, cash management, tax and commercial legal services to the University, helping to make best use of resources and fulfilling statutory responsibilities.

The Commercial Division

This includes the University’s Business Development Unit and a trading subsidiary of the University, OU Worldwide Ltd. This division has responsibility for the development of non-core net revenue.

Overview of the Role

The CFO is a key strategic post within The Open University. A member of the Vice-Chancellor’s Executive, he/she will work with the Vice-Chancellor and University Secretary in the development and implementation of the overall strategic direction and delivery of the future business and commercial growth and financial stability of the University.

Reporting to the Vice-Chancellor, the CFO will lead on the financial strategy and management of the OU and represent the University with key stakeholders. This is a highly visible role, both internally and externally, requiring strong and effective leadership during a period of significant organisational investment and change.

The CFO will be expected to:

- Lead and manage large Finance and Commercial divisions.
- Advise and guide the University Council and its committees on all financial and commercial matters.
- Develop and implement the University Group’s financial strategy, ensuring the right financial processes are in place to meet statutory and regulatory requirements and to deliver value for money.
- Develop the commercial strategy for growth and diversification of the University’s income sources, including oversight of its subsidiaries such as FutureLearn Ltd and OU Worldwide Ltd.
- Represent the University’s commercial interests in his or her capacity as a Director of the Board of FutureLearn Ltd, of Open University Worldwide Ltd, of Open University Student Budget Accounts Ltd, and of other subsidiary companies and ventures as may be set up.
- Ensure financial controls and processes are sufficiently robust for secure financial stewardship of the University’s assets, particularly given the pace of growth and change which the OU is experiencing currently and will face in the future.
- Ensure the effectiveness and efficiency of the management of the OU’s national and international tax affairs.
- Ensure the University is provided with support and advice on its pension interests.
- Deliver a restructured and added value finance function, and a new finance and accounting system.
- Support the University’s governors through attendance at Council and Finance, Audit and Investment Committees.
- Act as an ambassador and representative for the University to external stakeholders and interested parties.
The Person

Qualifications

- Educated to degree level or possess an equivalent qualification.
- Recognised professional accountancy or other equivalent financial qualification.

Experience

- Demonstrable leadership success at a senior executive level, with exposure to a non-executive board.
- Significant strategic and operational management experience gained in large and complex customer-centric organisations at senior management level.
- A broad financial skill set including financial reporting and accounting, financial controlling, financial planning and analysis, commercial business formulation and partnering, tax and treasury.
- A proven track record of supporting an organisation in the delivery of its business whilst using a range of influencing strategies to bring about change, performance improvement and modernisation.
- Demonstrable experience of driving business growth and revenue both in existing and new markets.
- Proven experience of leading significant people, process and system change within a large finance function.
- Strong commercial acumen in achieving significant business outcomes within either a private- or public-sector organisation.
- Evidence of entrepreneurialism and innovation, with an ability to identify innovative ways to improve performance and deliver best value for money.
- Experience of dealing with a diverse range of business, staffing and cultural issues across multiple and complex stakeholder environments.
- Ability to operate in a global commercial environment and the appetite to drive international growth.

Personal Qualities

- Robust and resilient, with strong presence and executive impact.
- Strong intellect with the capacity to thrive in an academic community and deliver complex messages to a diverse, demanding and sophisticated audience.
- An analytical style to manage and mitigate risk, with a positive creative instinct to develop solutions to support the University’s sustainable growth and change.
- Outstanding communication and influencing skills, with the ability to adapt these skills to a wide internal and external stakeholder community.
- The ability to build networks with and to influence funding bodies, political contacts and major corporate partners.
- Ability to work within a regulatory framework and to articulate its potential as a tool for continuous improvement.
- Cultural fit is critical. Candidates must evidence a commitment to the mission and values of the OU and an understanding of the transformational impact of education.
How to Apply

Key dates

The Open University has engaged the services of Odgers Berndtson, to whom applications should be sent at your earliest convenience and in any event by no later than Friday 12 April 2019.

The final interview process with The Open University is anticipated to take place in Milton Keynes on Tuesday 21 May 2019. You are kindly requested to diarise the dates.

How to apply

To apply, please submit a comprehensive curriculum vitae along with a covering letter, setting out your interest in the role and details of how you match the required criteria. Please include in a separate document the names and addresses of three referees. Referees will not be approached until the final stages and not without prior permission from candidates.

The preferred method of application is online at www.odgers.com/70571

If you are unable to apply online, please email your application to 70571@odgers.com

All applications will receive an automated response.

All candidates are also requested to complete an online Equal Opportunities Monitoring Form which will be found at the end of the application process. This will assist The Open University in monitoring selection decisions to assess whether equality of opportunity is being achieved. Information collated from the Equal Opportunities Monitoring forms will not be used as part of the selection process and will be treated as strictly confidential.

Personal data

In line with GDPR, we ask that you do NOT send us any information that can identify children or any of your Sensitive Personal Data (racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, data concerning health or sex life and sexual orientation, genetic and/or biometric data) in your CV and application documentation. Following this notice, any inclusion of your Sensitive Personal Data in your CV/application documentation will be understood by us as your express consent to process this information. Please also remember to not mention anyone’s information or details (e.g. referees) who have not previously agreed to their inclusion.

Provisional recruitment timetable

Longlist meeting: 23 April 2019
Odgers Berndtson interviews: Post longlist meeting
Shortlist meeting: 8 May 2019
OU interviews: 21 May 2019

We are committed to ensuring everyone can access our website and application processes. This includes people with sight loss, hearing, mobility and cognitive impairments. Should you require access to these documents in alternative formats, please contact education.practice@odgersberndtson.com

Queries

For a confidential conversation about the opportunity, please contact:

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