

POLICY FOR THE MANAGEMENT OF ORGANISATIONAL CHANGE

1. Introduction

- 1.1 Manchester Metropolitan University (MMU) sets out an ambitious change agenda in its Strategic Plan 'The 2020 Vision'. With a mission to be the UK's leading university for world class professionals, the agenda mapped out is one of transformational change. Developments span academic, support, staffing and physical infrastructure projects.
- 1.2 The University has set itself ambitious targets and an extensive programme of change. In such an environment it is clear that a key area for the University is to develop a workforce which is adaptable, flexible and responsive to change.
- 1.3 To achieve such transformational change, it is inevitable that there will be changes to the profile of the workforce which may affect individuals and/or groups of employees. This policy describes the principles and procedures to be adopted when dealing with staff affected by change.

2. Purpose of the Policy

- 2.1 The purpose of this policy is to provide a framework and outline principles for the management of organisational change which reflects current legislation, codes of practice and good people management practice, in addition to ensuring a consistent and equitable approach to managing such change across the University.

3. Policy Principles

- 3.1. It is the responsibility of the University to decide the size and composition of the workforce required to achieve its strategic plan. However, it is acknowledged that the best way to handle change is through consultation with members of staff and in partnership with recognised trade union organisations. The University will endeavour to adopt a partnership approach before decisions are implemented, which should help to ensure that change is implemented successfully and with minimum disruption.
- 3.2. To achieve successful organisational change, discussion should take place in an atmosphere of mutual trust and confidence. All

parties recognise that to achieve success in an increasingly competitive environment, the workforce has to be flexible and adaptable and be able to respond to opportunities and threats in the market. Maintaining the status quo is not an option.

- 3.3. Prior to discussions on significant organisational change a proposal will be produced setting out the background and reasons for change and the anticipated impact on staff.
- 3.4. In conjunction with its recognised trade unions, the University commits to the following principles:
 - Proposals for organisational change will be approved in the first instance by the University Executive/Directorate or, where appropriate, the Board of Governors.
 - Full and early consultation with staff and recognised union organisations about reconfiguration and changes to the workforce at the earliest opportunity.
 - Communication with staff over proposed changes in a full and timely fashion.
 - Security of employment for staff wherever possible and management of processes allied to this policy with care and sensitivity to the impact on all staff.
 - Implementation of restructuring proposals, wherever possible, through voluntary means.
 - Mitigation of proposed redundancies and their impact, in consultation with recognised trade unions, where changes in the patterns of activity, the organisation of work or the ability to finance work, reduce the requirement for staff, or for staff undertaking work of a particular kind.
 - Dealing with transfer of staff in accordance with the requirements of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).
 - Application of this policy and associated procedures to prevent discrimination either directly or indirectly, against staff on the grounds of race, religion or religious belief, age, nationality, ethnic (or national) origin, sex, sexual orientation, marital

status or disability. In applying this policy account will be taken of the need to maintain a culturally diverse workforce that is representative of communities served and the needs of minority groups within the workforce.

4. Scope

- 4.1. This policy and related procedures apply in circumstances which may potentially result in significant change for individuals or groups of employees. It is applicable to all University staff.
- 4.2. Significant change in this context is defined as being change of a long term, sustained nature which affects working arrangements for individuals or groups of employees to the extent that it impacts significantly on their existing contract of employment. It is not intended to cover change encompassed by continuous improvement which all staff should seek to effect, nor does it cover changes to duties and responsibilities which reflect “other duties and responsibilities” appropriate to the grade of a post as specified in the job description.

Examples of change covered by this policy include:

- Significant reductions in workload or changes to workloads not encompassed by the existing contract of an individual or individuals.
- Radical re-organisation of the way work is carried out which affects individual(s) contracts of employment (this is not meant to incorporate change which occurs on an ongoing basis to improve service).
- Major changes to job requirements or qualifications

5. Consultation

- 5.1. Meaningful, timely and transparent consultation should take place on the basis of a proposal. Proposals should be developed which consider the circumstances giving rise to the need for potential structural change, evaluate the financial case underpinning the proposals, outline the possible impact of the proposals on the staff in the area(s) affected and consider the implications for any interrelated activities within the university.

- 5.2 Consultation is a two stage approach.
- a) Initial consultation on the basis of the proposals will take place with appropriate recognised trade unions.
 - b) Following the initial consultation wider consultation on the proposals will take place with affected staff groups and on a wider basis with other stakeholders where appropriate.
- 5.3 Meaningful consultation should be carried out by the Director of Human Resources and the Head of Employee Relations (or delegated representative(s) in conjunction with the Dean /Director (or delegated representative(s)), with representatives of recognised trade unions and/or appropriate staff representatives.
- 5.4 Following consultation amendments may be made to the proposals as appropriate.
- 5.5 The finalised proposals will be subject to implementation consultation with appropriate recognised trade unions.

6. Staff Reductions

- 6.1. Where proposals for change are made and result in a reduction in the numbers or type of staff employed, then the procedure set out at Appendix A 'Procedure for Managing Changes in Staffing Structures' will be applied.
- 6.2. If appropriate, re-deployment of staff will be carried out in line with the procedure set out at Appendix B 'Procedure for the Deployment of 'At Risk' staff'.
- 6.3. Where staff are selected for redundancy, they have a right of appeal against selection and this is contained at section 6.3 of Appendix A.

7. Impact Assessment

- 7.1 The Race Relations (Amendment) Act 2000 and the Disability Discrimination Act 2005 both include a requirement for all Higher Education Institutions to carry out Impact Assessment on all policies and procedures, both formal and informal, and written and unwritten.

This Policy is currently undergoing an Equality Impact Assessment to determine equality relevance for the following equality groups: Race, Disability, Gender, Age, Sexual Orientation and Religion and Belief.

Initial screening will take place during 2008 and will conclude during 2009 using available equalities monitoring data, in order to determine whether a full impact assessment should be carried out and for which groups. Impact assessment results will be shared with the trade unions.

8. Conclusion

This policy has been ratified by the Directorate and the Finance and HR Committee. It will be subject to periodic review.

Gill Hemus
Director of Human Resources

JANUARY 2010

PROCEDURE FOR MANAGING CHANGES IN STAFFING STRUCTURES

1. Introduction

- 1.1. The Policy for dealing with the Management of Organisational Change sets out the context and principles within which such change will be managed.
- 1.2. This Procedure deals with management of change which results in potential reductions in the workforce.

2. Legal Provisions

2.1 Consultation and Notification

An employer proposing to make collective redundancies is required to consult in advance with representatives of the affected employees and to notify the projected redundancies to the Department for Business Enterprise and Regulatory Reform. A collective redundancy situation arises where an employer proposes to dismiss as redundant twenty or more employees at one establishment within a ninety day period. Employers are under no specific legal obligation to consult employee representatives in cases falling below the 20 redundancies threshold but as a matter of good practice, appropriate employee representatives will be informed in all cases where it is proposed to make members of staff redundant.

2.1.1 Consultation

Under the terms of the Trade Union and Labour Relations (Consolidation) Act 1992 and subsequent amendments where a collective redundancy situation arises, the University has a statutory duty to consult with employee representatives including relevant recognised trade unions, and individuals where a requirement has been determined for reductions in the workforce.

Legal consultation must begin:

- At least 90 days before the first dismissal is due to take effect, where it is proposed to dismiss as redundant 100

or more staff within a period of 90 days or less within an establishment.

- At least 30 days before the first dismissal is due to take effect where it is proposed to dismiss as redundant between 20 - 99 staff within a period of 90 days or less within an establishment.
- As soon as is reasonably practicable before the first dismissal is due to take effect where it is proposed to dismiss as redundant fewer than 20 staff within an establishment.

2.1.2 Notification

An employer who proposes to dismiss twenty or more employees as redundant at one establishment within a period of ninety days or less has a statutory duty to notify the Department for Business Enterprise and Regulatory Reform.

The minimum notice provision is as follows:

- If between twenty and ninety – nine employees may be dismissed as redundant at one establishment within a period of ninety days or less - at least thirty days and, in any event, before giving notice to terminate an employees` contract.
- If one hundred or more employees may be dismissed as redundant at one establishment within a period of ninety days or less – at least ninety days and in any event, before giving notice to terminate an employees` contract.

2.2 As part of its Policy for the Management of Organisational Change, the University will inform its recognised trade unions (in writing) of any proposed reductions in staffing levels. The information to be provided is outlined below:

- The reasons for any potential redundancies.
- The projected number of posts, their grades and their designations.

- The total number of staff covered by that description within the University.
- The total number of staff within the area of the University that is subject to re-organisation and within the University as a whole.
- The proposed methods of avoiding /reducing the need for compulsory redundancy.
- Should it be necessary, the proposed method of selection.
- The proposed timing of any redundancies.

2.3 The information above will be provided to recognised trade unions before any formal announcement is made on any potential redundancy situation.

3. Mitigation of Redundancy

To mitigate the effect of any potential reduction in staff numbers as set out in paragraph 3.3 of the Policy for the Management of Organisational Change, the following measures may be considered.

- Natural wastage/vacancy control
- Reduction/elimination of overtime or agency staff
- Reduction in non staffing costs
- Income generation
- Redeployment, relocation/retraining of staff
- Agreed reduction of hours/pay
- Offer of voluntary severance/early retirement.

Scope to use any of these measures will be considered by the Director of Human Resources and Head of Employee Relations (or delegated representative(s)), in conjunction with the Dean/Director (or delegated representative(s)) and in consultation with appropriate recognised trade unions.

4. At Risk Staff

- 4.1 Where members of staff are declared at risk of redundancy, they may be offered redeployment in accordance with the provisions set out in 'Procedure for the Deployment of "At Risk" staff' – Appendix B.

5 Voluntary Severance

- 5.1 The University, in accordance with paragraph 3.4 of the Policy for the Management of Organisational Change, will give full consideration to the scope to achieve the necessary reduction in the number of staff employed through voluntary means.
- 5.2 Consideration of voluntary severance will be determined at the discretion of the Dean/Director in conjunction with the Director of HR. In considering voluntary severance, the financial implications, operational requirements and the overall interests of the organisation will be taken into account.

6 Selection for redundancy

- 6.1 The University will determine, in accordance with strategic objectives, operational requirements and within resource constraints, those areas of activity which require change. Where, following consultation with recognised unions and mitigation as specified in paragraph 3 of this procedure, it is decided that change will lead to reductions in staffing levels then selection for redundancy will be managed in the following manner:
- 6.1.1 Consultation will take place between the University and unions recognised for collective bargaining purposes for affected group(s).
- 6.1.2 Wherever possible selection pools and criteria will be agreed but the University reserves the right to determine criteria where it has not been possible to reach agreement.
- 6.1.3 Criteria for selection for redundancy will be fair, objective and will be applied in a consistent and non discriminatory way.
- 6.1.4 The following factors (which are intended to be examples and not exhaustive) will be considered to assist in determining agreed pools and criteria where reductions in

staff have been identified in any particular area, taking into account equality and other relevant legislation:

- Academic relevance or specialist nature of academic subject.
- Requirement for professional/technical/occupational skills
- Teaching or service requirements
- Student demand for programmes
- Individual research profile
- Teaching standard achieved
- Level of overall contribution to the needs of Faculty/ Department
- Grant capture/research income/3rd mission activity
- Termination of a specific funding stream
- Performance in post where formal disciplinary action has been taken and is still extant.
- Attendance record over the past year with reference to associated reasons but discounting absence due to a long-term health condition or disability.
- Disciplinary record where appropriate with reference to associated reasons.
- Lack of demonstrated flexibility with regard to training and development of new skills

6.2. Selection for redundancy will be undertaken by the manager with advice from Director of Human Resources and the Head of Employee Relations (or delegated representative(s)), following appropriate consultation with recognised trade unions.

6.3. Following the redundancy selection process, any member of staff given notice of dismissal for reasons of redundancy shall have the right of appeal to the appropriate level of management. This right of appeal should be exercised within 10 working days of the date of notice of dismissal.

7. Notice provision

Staff selected for dismissal by reason of redundancy are entitled to receive notice which will be either the contractual notice period or statutory notice whichever is the longer.

8. Time off with pay to seek alternative employment.

An employee who has received notice of dismissal due to redundancy is entitled to take reasonable time off with pay (but no more than 2/5ths of a week's pay in total, regardless of the length of time off allowed) to look for another job, or to arrange training for future employment. The employee, who must have at least two years' continuous service, can take the time off within working hours while under notice.

9. Redundancy payment

Staff with at least 2 years' continuous service will be entitled to statutory redundancy pay, based upon age and length of service with this University. Staff transferred under TUPE regulations will have service with their previous employer recognised for this purpose. Where an employee has successfully applied for Voluntary Severance, their statutory redundancy payment entitlement will form part of their overall severance payment and will not be paid in addition to the Voluntary Severance payment.

10. Monitoring and Review

10.1 This procedure will be the subject of annual review.

10.2 Impact Assessment the Race Relations (Amendment) Act 2000 and the Disability Discrimination Act 2005 both include a requirement for all Higher Education Institutions to carry out Impact Assessment on all policies and procedures, both formal and informal, and written and unwritten.

This Policy is currently undergoing an Equality Impact Assessment to determine equality relevance for the following equality groups: Race, Disability, Gender, Age, Sexual Orientation and Religion and Belief.

Initial screening will take place during [month] 2008 and will conclude during [Term/month] [year] using available equalities

monitoring data, in order to determine whether a full impact assessment should be carried out and for which groups.

10.3 In order to facilitate the impact assessment process, appropriate records will be kept. Impact assessment results will be shared with the trade unions.

JANUARY 2010

PROCEDURE FOR THE DEPLOYMENT OF 'AT RISK' STAFF

1. Introduction

- 1.1. The Policy for dealing with the Management of Organisational Change sets out the context and principles within which such change will be managed.
- 1.2. This procedure will apply where there has been reduction of work within an establishment of the University, and the change has been managed under the Policy for the Management of Organisational Change and the Procedure for Managing Changes in Staffing Structures.
- 1.3. This procedure deals with the deployment of staff who, within the context of organisational change, have received notice of being 'at risk' of redundancy.

2. Procedure

- 2.1. Where it has been identified that there needs to be a reduction in posts as a result of organisational change within a particular establishmentⁱ the manager should draw up a plan detailing which posts at what grade are still required to deliver organisational objectives.
- 2.2. Posts can be categorised as follows:
 - a) Those still required to deliver organisational objectives where there has been no change.
 - b) New posts required to deliver organisational objectives which are substantially similarⁱⁱ to the duties of existing posts and are at the same grade as existing posts.
 - c) New posts required to deliver organisational objectives.
- 2.3. Posts in the existing establishment should be matched to categories a) and b) above.

- Where staff are in posts matched to category 2.2 a), there will be no change in the duties of the post and these members of staff can be 'slotted in' - i.e. confirmed in their existing post.
 - Where posts are matched to category 2.2.b), the duties of existing members of staff should be considered and these posts ring fenced for limited competitionⁱⁱⁱ and preferential consideration^{iv} amongst members of staff who have a lien^v on these posts. Posts will be filled on the basis of grade and higher graded staff may not compete initially for lower graded posts. Where lower graded posts remain unfilled, they may constitute suitable alternative employment for higher graded staff.
 - Where posts are matched to category 2.2.c), these will go out to open competition and staff who have not been placed as a result of slotting in or limited competition will be able to compete for these posts in the normal way.
- 2.4. Any member of staff designated 'at risk' of redundancy who has not been successful at obtaining a post by means of slotting in or preferential or open competition for posts within the establishment, will be considered for suitable alternative employment under the terms of the 'Policy for the Management of Organisational Change' and 'Procedure for Managing Changes in Staffing Structures'.
- 2.5. Suitable Alternative Employment.
- 2.5.1. Vacancies which constitute suitable alternative employment will be identified by the Director of HR or designated representative.
- 2.5.2. 'At risk' individuals who are identified as having appropriate knowledge, skills and experience to carry out the duties of suitable vacancies, will be given preferential consideration for these posts.
- 2.5.3. Reasonable support for training will be considered in relation to an individual's suitability for a post.
- 2.5.4. All appointments to vacant posts under this procedure will be the subject of a trial period of employment which will normally last for 6 weeks. This may be extended after

agreement between the University and the affected staff member to accommodate any additional training required. This is an opportunity to decide if the post is suitable. It will be possible to extend such a trial period in appropriate circumstances, e.g. where the training has not yet been completed but this must be mutually agreed between the employee and manager.

- 2.5.5. Employees, who, at the end of their trial period decide unreasonably, that the post is not suitable for them will not have a second opportunity to apply for any further posts and will be advised that they are not entitled to a redundancy payment. Employees who reasonably refuse alternative offers of employment will still be entitled to redundancy payment.
- 2.5.6 Where an employee accepts a suitable alternative role at a lower grade, consideration will be given to the application of pay protection. However, where an employee unreasonably refuses the offer of suitable alternative employment, appropriate notice of termination will be issued.
- 2.5.7 If an 'at risk' member of staff chooses to apply for and accepts a vacant post, not designated as suitable alternative employment, he/she will not be afforded statutory redundancy and/or consideration will not be given to any pay protection.

Gill Hemus
Director of Human Resources

JANUARY 2010

Glossary

-
- i *The establishment in any particular case shall be determined in consultation with recognised trade unions.*
 - ii *Match on the basis of substantial similarity, with an existing role. For these purposes 'substantial similarity' relates to a comparison between current role and the new role where similarity extends to the majority of the elements of the two roles.*
 - iii *Limited competition in this case means competition restricted to 'at risk' staff on the same grade where over 50% of their current duties are subsumed in the duties of the new post.*
 - iv *Preferential consideration means that the best candidate should be appointed amongst staff who have a lien on the post, as long as the candidate is judged to have the skills and knowledge necessary to carry out the duties of the post. The individual selected may not be the best available in open competition for the post.*
 - v *Having a 'lien' on a post means having a legitimate claim on a post by reason of the nature of the duties of the post.*

JANUARY 2010