

|  |   |                                   |
|--|---|-----------------------------------|
| <b>OTAGO POLYTECHNIC MANAGEMENT POLICY</b> |   | <b>Number: MP0443.02</b>          |
| Title:                                     | <b>Surplus Staffing</b>                     |                                   |
| Baldrige Criteria:                         | <b>5 Workforce</b>                          |                                   |
| Management Committee                       | Approval Date: <b>7 Nov 2016</b>            | Effective Date: <b>7 Nov 2016</b> |
| Previous Policy Number                     | <b>na</b>                                   | Review Date: <b>as required</b>   |
| Contact Authority:                         | <b>Director: Organisational Development</b> | Status: <b>current</b>            |

### **Purpose**

The objectives of this policy are:

- To minimise the consequences that the loss of employment has on individual employees.
- To place as many surplus staff as possible in alternative positions within the Polytechnic.
- To provide guidelines as to the management of change in Otago Polytechnic.

### **Background**

The development of this policy has come about from concerns of staff regarding proposed restructuring and redundancies and the uncertainty this brings about. There is also a need to provide some consistency in practise across the organisation.

### **Statutory Compliance**

Employment Relations Act 2000 and all subsequent amendments

### **Policy and Procedures**

#### **1. Policy**

Otago Polytechnic is committed to ensuring there is an efficient and effective workplace. At times this results the need to make significant changes to the Organisation's structure, individual courses or programmes or work practices that affect staffing. Management and staff have an important contribution to make to achieve the necessary changes.

##### **1.1 Objectives**

The objectives of this policy are:

- 1.1.1.To provide guidelines as to the management of change in Otago Polytechnic.
- 1.1.2.To minimise the consequences that the loss of employment has on individual employees.
- 1.1.3.To place as many surplus staff as possible in alternative positions within the Polytechnic.

#### **2. Application**

- 2.1. The following provisions are intended as minimum standards of practice for staff of Otago Polytechnic employed on individual agreements.
- 2.2. Subject to clause 2.1, all employees who are on parental leave, absence due to illness, study leave, leave without pay or accident compensation are entitled to all of these provisions.



### **3. Consultation**

- 3.1. The aim of consultation is to ensure that all parties have an understanding of the objectives of any change and have the opportunity to comment and suggest alternatives, before any final decision is taken.
- 3.2. In accordance with the aim of consultation, staff (and, if applicable their representative) will be consulted by the employer if the employer has a definite proposal which is likely to result in significant changes to either the organisational structure, staffing or work practices affecting them. Should such a proposal arise, the employer will provide affected staff with an opportunity to be involved in the consultative process. The consultative process shall include:
  - 3.2.1. The employer providing details of the proposal to affected staff and their representatives.
  - 3.2.2. The employer providing information (subject to commercial confidentiality being protected) so that affected staff and their representative can form a view.
  - 3.2.3. Affected staff being given an opportunity to make submissions.
  - 3.2.4. The employer giving due consideration to any submissions made by the affected staff, within the timeframe required by the employer, before taking any final decision.
  - 3.2.5. Following consideration of any staff submissions and any other material considered relevant, the Employer will make a final decision regarding the implementation of the proposal. The proposal will either be; implemented as proposed, implemented in an altered format or not implemented
  - 3.2.6. The final decision will be communicated to the staff concerned, and if applicable their representative.

### **4. Voluntary Severance / Attrition**

- 4.1. Once the decision has been made to disestablish a position or reduce the number of staff within a position, voluntary severance and attrition will first be considered for use by the Employer.
- 4.2. Voluntary Severance

The Employer may consider the use of voluntary severance where it deems feasible. The process for enacting voluntary severance is as follows:

  - 4.2.1. The employer will call for volunteers to apply for severance from the pool of employees that are directly affected.
  - 4.2.2. Should the number of volunteers exceed that required the employer will select which employee(s), if any, will be accepted using the process outlined in the selection criteria section below.
  - 4.2.3. The employer is not obliged to accept any application for voluntary severance.
  - 4.2.4. Staff accepted for voluntary severance will have their employment terminated in accordance with the severance provision below.
- 4.3. Managed Attrition

Within the context of a process of organisational change the employer may operate a policy of managed attrition with the intention of minimising the number of staff affected by the change through natural attrition.

## 5. Severance

Where a surplus staff situation cannot be managed using voluntary severance or managed attrition or where the Employer does not consider these methods to be appropriate, the following provisions will apply:

### 5.1. Selection

- 5.1.1. If the Employer determines that there is a need to select which employee(s) are surplus from a pool of employees, it will develop the selection criteria and process to be used in selecting which staff member(s) will be made redundant.
- 5.1.2. The selection criteria will genuinely reflect; the type and variety of skills required, the knowledge and experience required and operational needs of the area. The selection criteria must be unbiased, measurable, fair, objective and consistent with the purpose of determining which staff will be declared surplus.
- 5.1.3. Staff will be given the opportunity to update their curriculum vitae and the employer will provide assistance with CV preparation if required.
- 5.1.4. Staff involved in the selection process will be given copies of any selection assessment material made of them and will have the opportunity to correct any errors prior to any individual staff member being given notice that they have been declared surplus.
- 5.1.5. Except in cases of voluntary severance, following a selection being made redeployment and retraining may be considered.

### 5.2. Redeployment

- 5.2.1. The employer may redeploy the employee to a position that is available and substantially similar to the employee's current position.
- 5.2.2. Where an employee accepts redeployment to a new full time or proportional position at a lower salary in the same location, the employee will be paid at the salary level just prior to the redeployment, for a period of 3 months. The employee will not be entitled to any other compensation.
- 5.2.3. Any employee who declines an offer of redeployment under the above terms will not be entitled to redundancy compensation at the expiry of their period of notice.
- 5.2.4. Within the first six months following redeployment the employee and employer may agree that the employee is not suited to the position. Severance will be effective immediately on the agreement being reached and no further notice shall be given nor required. The employee in these circumstances shall receive a redundancy payment in accordance with the provisions of this policy. Redundancy pay will be paid at the salary rate paid prior to the redeployment.

### 5.3. Retraining

The employer will consider ways in which the employee may be retrained to other suitable positions within the Polytechnic.

### 5.4. Redundancy

An employee who has been declared surplus shall:

- 5.4.1. receive notice and redundancy compensation as per the terms of their employment agreement (either IEA or CEA).
- 5.4.2. be provided with reasonable time off to attend interviews for alternative employment; and

- 5.4.3. be provided with a letter of reference; and
- 5.4.4. be provided with counselling in accordance with the Polytechnic's Staff Assistance Programme, and
- 5.4.5. have access to the Polytechnic's Staff Discount Policy for a period of two years following the termination of employment.

## **6. Service**

For the purpose of this policy service is defined as service with Otago Polytechnic.

**Approved by Chief Executive**

**Date: 7 November 2016**

