

## **ERP Staff Feedback**

The University's Economic Response Program (ERP) invited staff members to visit the ERP web site to further review the information and strategies proposed and for employees to provide their feedback on the four strategies outlined in the consultation brief. Throughout the consultation period the ERP web site had more than 5,000 visits with visitors accessing 13,602 page views of ERP documentation. Additionally, employees sent 149 feedback emails to the [erp-feedback@unimelb.edu.au](mailto:erp-feedback@unimelb.edu.au) communication channel. Feedback was also received from the National Tertiary Education Union.

The University wishes to acknowledge and thank those staff and staff representatives who participated in the consultation process. The final program has incorporated a number of significant modifications in response to feedback provided by staff and their representatives, including:

- Under the Freeze on External Hiring of Professional Staff, staff members who have been employed on a fixed term contract will be eligible to continue to apply for other internal vacancies for a three month grace period after the cessation of a fixed term contract.
- Also in relation to the Freeze on External Hiring of Professional Staff, advertising of any positions that seek to target Indigenous Australians will be specifically excluded from these provisions reflecting the University's commitment to its existing Indigenous Employment Strategy.
- Under the Flexible Leave and Working Arrangements (for which it is noted that there was strong support demonstrated in the feedback received), the current ten year service minimum requirement for the Phased Retirement program will be waived for any staff taking up this option as part of the ERP initiatives.
- Also in relation to the Flexible Leave and Working Arrangements, it is recognised that arrangements made in relation to staff who may be affected by the implementation of Responsible Division Management (RDM) in terms of work location for example will require review and possible amendment following RDM implementation. To accommodate this group of professional staff, the Flexible Leave and Working Arrangements will not be implemented until later this year. However, the enhanced retirement options will proceed to be implemented on 7 September 2009.
- The University will not proceed with its proposal to implement the proposed Fixed-Term Contract Review Program at this time. The University will continue to consult with staff and their representatives on a process to review fixed-term contracts prior to their expiry.

Many of the respondents acknowledged the challenges faced by the University at this time and on the whole were broadly supportive of the University's proposal. While the majority of respondents expressed support of ERP initiatives they also reiterated the need for careful monitoring and management of workloads at the Budget Division level. The consultation brief outlined that selection criteria apply to all ERP strategies and that, in some instances, output/productivity expectations may need to be realigned. The University will assist the Budget Divisions manage workload where necessary through the provision of additional support for job re-design and/or process re-engineering to achieve these goals.

Some employees expressed concern regarding Strategy 2 Fixed Term Contract Review Program citing that professional staff in fixed term roles believed that they had been 'unfairly targeted' through this strategy. This perception may have been associated by an apparent misunderstanding on the part of some staff that this strategy would altogether prohibit the renewal of fixed term contracts for professional staff. The ERP is not framed to criticise or devalue our professional staff or our fixed-term staff, without whom we could not pursue our core mission. Strategy 2 provides increased rigour around the renewal of fixed term contracts for professional staff, so that contracts are only renewed where there are demonstrated requirements for the extension of a fixed term contract. In any event, as a result of this and other feedback in relation to this strategy, the University will not proceed with its proposal to implement the proposed Fixed-Term Contract Review Program at this time. The University will continue to consult with staff and their representatives on a process to review fixed-term contracts prior to their expiry.

Strategy 3 Flexible Leave and Working Arrangements received strong support, particularly for the broadened 48/52 scheme and purchase of additional annual leave. A number of respondents requested that this option also be extended to part time staff and, as a result of their feedback, eligibility for this option has been expanded to include employees on time fractions of 50% or higher.

Strategy 4- Voluntary Redundancies Package (VRP) received the greatest number of responses with the majority of respondents in favour of redundancies on a voluntary basis. A number of requests for information about individual's specific circumstances were received.

A number of RDM affected staff commented they were concerned they would be excluded from participation in the ERP initiatives as a result of RDM time lines. The University will ensure that staff who may potentially be affected by RDM will not be disadvantaged throughout the ERP process. Timelines of both processes will be aligned to ensure that applications for the VRP will not close until after information about new structures and positions under RDM have been released to staff.

Finally, staff members recommended alternative strategies to ERP initiatives and these are also summarised in the tables below. Many of these suggestions, for example an 'across the board' short term salary reduction of 5% or University closure on Friday afternoons, did not form part of

the ERP brief and as such would require policy consultation and reform in order to enact these recommendations. However a number of the alternative suggestions received clearly have merit and the University will review these suggestions further with a view to implementing these suggestions in future.

The University has summarised in the attached table the most common feedback received in response to the ERP proposal. Feedback has been summarised and themed and the attached table does not attempt to deal comprehensively with every piece of feedback received. It should provide staff with an understanding of the views of their colleagues and the University's response to their feedback after due consultation.

## Economic Response Program – Summary of Staff Feedback

ERP Proposed Strategies	Employee Feedback on Proposed Strategies	University Response
<p><b>STRATEGY 1:</b>  <b>FREEZE ON HIRING OF EXTERNAL PROFESSIONAL STAFF</b>                      6% of overall employee feedback related to Strategy 1</p>	<p>Some comments indicated concern that the hiring freeze would negatively impact upon the University’s merit based recruitment and selection policies if the Budget Divisions could only fill vacant positions with staff members from the placement and/or redeployment ‘pools’.</p>	<p>Within this strategy, the University has recognised that there will be requirements to fill positions that require specialist knowledge and/or expertise with external applicants and as a result, and in these exceptional circumstances, a Budget Division may seek approval of an exemption to allow external advertising to proceed.</p>
	<p>The hiring freeze was seen as unfairly excluding fixed term employees from seeking reemployment within the University upon conclusion of their fixed term contract, thus not recognising their skills, experience and contributions.</p>	<p>The University greatly values the loyalty, contributions and experience of all professional staff members. So that there are further options provided for fixed term staff whose contracts may not be renewed, the University has varied its proposal as a result of suggestions received through feedback.</p>
	<p>Feedback received indicated that positions which may be opened as Indigenous Employment opportunities should be exempted from this strategy.</p>	<p>This suggestion is welcomed by the University. Any vacancies which seek to target Indigenous Australians will be specifically excluded from these provisions, to enable advertising (especially in relevant Indigenous media) to proceed.</p>
<p><b>STATUS</b></p>	<p><b>Approved with amendments as specified</b></p>	<p>Under the Freeze on External Hiring of Professional Staff, staff members who have been employed on a fixed term contract will be eligible to continue to apply for other internal vacancies for a three month grace period after the cessation of a fixed term contract.</p> <p>Also in relation to the Freeze on External Hiring of Professional Staff, advertising of any positions that seek to target Indigenous Australians will be specifically excluded from these provisions reflecting the University’s commitment to its existing Indigenous Employment Strategy.</p>

ERP Proposed Strategies	Employee Feedback on Proposed Strategies	University Response
<p data-bbox="188 311 537 399"><b>STRATEGY 2: FIXED TERM CONTRACT REVIEW PROGRAM</b></p> <p data-bbox="188 462 481 518">18% of overall feedback related to Strategy 2</p>	<p data-bbox="568 311 1305 454">Staff members commented that they believed this strategy should focus only on those fixed term contracts that are funded by the University's operating budget rather than an 'across the board' restriction which includes externally funded fixed term contracts.</p>	<p data-bbox="1337 311 2078 422">As per the University's current policies and procedures, all fixed term contracts are subject to review prior to the pre-agreed end date. It is therefore appropriate that all fixed term contracts be reviewed as a part of this strategy.</p>
	<p data-bbox="568 493 1305 734">It was noted that Strategy 1 (Hiring Freeze) and Strategy 2 (Fixed Term Contract Renewal) had a cross-over effect in that fixed term staff members expressed concern that they would, immediately upon conclusion of their contract be regarded as 'external' to the University for hiring purposes. Some felt that this was unfair and also did not fit with 'cost containment' as these staff could contribute greater skills, knowledge and expertise acquired throughout their fixed term.</p>	<p data-bbox="1337 493 2078 638">Following consideration of the feedback received, staff members who have been employed on a fixed term contract which will not be extended will be eligible to continue to apply for other internal vacancies for a three month "grace period" after the cessation of their fixed term contract.</p>
	<p data-bbox="568 740 1305 917">A number of staff expressed concern around the proposed requirement for any excess continuing staff member, who had the necessary skills, to be considered first for renewed fixed term contract roles. The view was put that this would mean a loss of momentum in projects due to the lead time to induct someone new to the role.</p>	<p data-bbox="1337 740 2078 853">Following the consideration of feedback, the University has removed the requirement for fixed term contracts to be reviewed in accordance with any staff undergoing placement/redeployment.</p>
	<p data-bbox="568 924 1305 981">There were some opinions expressed that this option unfairly targeted professional staff members.</p> <p data-bbox="568 1013 1305 1141">This view may have been associated with the erroneous assumption made by some staff that the ERP was proposing that there would be no future professional staff fixed term appointments.</p>	<p data-bbox="1337 924 2078 1109">The ERP is not framed to criticise or devalue professional staff, without whom we would be unable to pursue our core mission. Rather the ERP relates to tightening the renewal process around professional staff fixed term positions and does not prohibit future professional fixed term positions being made available.</p> <p data-bbox="1337 1141 2078 1260">Amendments to the Strategy 1 Hiring Freeze now allow for fixed term professional staff members to be considered for 'internal' positions for a period of three-months after conclusion of their fixed term contract.</p>

ERP Proposed Strategies	Employee Feedback on Proposed Strategies	University Response
<b>STATUS</b>	<b>Not Approved at this stage – consultation continuing</b>	The University will not proceed with its proposal to implement the proposed fixed term contract review program at this time. The University will continue to consult with staff and their representatives on a process to review fixed term contracts prior to their expiry.

ERP Proposed Strategies	Employee Feedback on Proposed Strategies	University Response
<p><b>STRATEGY 3 FLEXIBLE LEAVE &amp; WORKING ARRANGEMENTS</b></p> <p>37% of overall feedback related to Strategy 3 Flexible leave and working arrangement options contained within the strategy</p>		
<p><b>Enhanced Retirement Options</b></p>	<p>Staff expressed that, in relation to their own personal circumstances, they would like more information on their retirement options and offerings as an alternative to the VRP.</p> <p>A recommendation to remove the 10 year continuous service provision in the phased retirement option would encourage greater participation in this program.</p> <p>Feedback was received requesting an extension to the departure date of 30 June 2011.</p>	<p>The University has provided extensive information on the ERP web site to better inform employees. Please visit the web site at <a href="http://www.erp.unimelb.edu.au">http://www.erp.unimelb.edu.au</a> to review the information available.</p> <p>The University has reviewed this recommendation and <b>has agreed that, for the purposes of the ERP strategies, the minimum service requirement of 10 continuous years of service will be removed from the phased retirement option</b> in order to broaden the scope of this retirement option to interested staff members.</p> <p>To receive the ERP retirement incentive of \$10,000, subject to signing a deed of release, final departure date is fixed at 30 June 2011.</p>
<p><b>Work Life Balance Initiative - - reduce time fraction by at least 10% &amp; participants granted 2</b></p>	<p>Feedback for this initiative was generally supportive as a means of ensuring flexibility in work arrangements while also helping the University to achieve cost containment measures. However some comments also cautioned against negatively</p>	<p>The University has reviewed the feedback and has <b>approved the Work Life Balance Initiative for 2010.</b></p> <p>Budget Divisions are responsible for monitoring requests</p>

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<b>additional public holidays in 2010.</b>	affecting workloads.	and balancing resource planning issues in line with requests for the Work Life Balance Initiative.
<b>Broadened 48/52 scheme and purchase of annual leave</b>	<p>Staff feedback strongly supported the broadened 48/52 scheme and the purchase of annual leave.</p> <p>Many staff requested that this option be extended to staff members on reduced time fractions.</p> <p>Staff requested the purchase of additional annual leave be made available in smaller amounts (ie 2 weeks).</p> <p>Some staff members expressed support and interest and cited that interest and participation in these programs should not negatively impact on workloads.</p> <p>RDM affected staff members expressed concern that they would be unfairly disadvantaged unless time frames took into consideration RDM.</p>	<p>The University has approved the broadening of the 48/52 and purchase of annual leave based on the tremendously supportive feedback received from employees. With the limitations stated below, employees on time fractions of 50% FTE or more will be eligible for participation in the broadened 48/52.</p> <p>Additional annual leave may be purchased at a minimum amount of 2-weeks and a maximum amount of 6-weeks. To purchase the maximum of 6-weeks extra leave the staff member must be on a 100% time fraction.</p> <p>To ensure workload coverage and operational efficiencies, selection criteria applies to all requests for the 48/52 and purchase of additional annual leave.</p>
<b>University closure and enforced annual leave 22-24 December 2009:</b>	Overall there was general support for a period of enforced closure to reduce the University's leave liabilities and to ensure that staff with accrued balances reduced their overall balances and had an appropriate 'rest break'. However while	The University has noted the overall level of support to the option of an enforced closure as a means of reducing the University's leave liabilities.

ERP Proposed Strategies	Employee Feedback on Proposed Strategies	University Response
	<p>supportive of an enforced closure, respondents expressed concern that the proposed 22-24 December timeframe was insufficient to allow for employees personal leave planning.</p> <p>Respondents also proposed that either January or Easter 2010 provides greater scope for personal leave planning and may have a lesser operational impact for the University.</p>	<p><b>The University has made a decision to forgo an enforced closure for December 2009</b> and will instead pursue a period of enforced closure in December 2010 or January 2011 in order to allow staff members to better plan and consider their personal leave plans.</p> <p>Appropriate policy review will be undertaken and the University will continue to consult.</p>
<p><b>Required Annual Leave Scheduling in 2010</b></p>	<p>Staff members were supportive of required scheduling of annual leave particularly for staff with accrued balances.</p> <p>Some respondents were concerned that those staff members with ongoing accrued balances negatively impacted upon the University and staff who regularly planned and took their leave entitlements should not be affected by these provisions..</p>	<p>In noting overall employee support, the University has agreed to proceed with this proposal as outlined in the consultation brief.</p> <p>All staff will be required to schedule the taking of at least 20 annual leave days (or pro-rata equivalent for part-time staff) during 2010 and for staff with accrued annual leave balances in excess of 15 days as at 31 December 2009 to schedule and take a minimum of 25 days of annual leave during the course of 2010.</p>
<p><b>STATUS</b></p>	<p>Enhanced Retirement Options : <b>Approved with amendment</b></p> <p>Work Life Balance Initiative : <b>Approved</b></p> <p>Broadened 48/52 : <b>Approved with amendments</b></p>	<p>The current ten year service minimum requirement for the Phased Retirement program will be waived for any staff taking up this option as part of the ERP initiatives. The enhanced retirement options will proceed to be implemented on 7 September 2009.</p> <p>Implementation later in 2009</p> <p>Implementation later in 2009. The number of weeks additional leave that can be purchased will be between 2 and 6 weeks. Part-time staff (0.5 FTE and above) eligible, though the maximum additional 6 weeks only available to full time staff.</p>

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	University Closure Christmas Period : <b>Deferred</b>  Required Annual Leave Scheduling : <b>Approved</b>	Enforced closure for December 2009 has been foregone. The University and will instead pursue a period of enforced closure in December 2010 or January 2011

ERP Proposed Strategies	Employee Feedback on Proposed Strategies	University Response
<p><b>STRATEGY 4 : VOLUNTARY REDUNDANCY PROGRAM (VRP)- APPROVED</b></p> <p>26% of overall feedback related to Strategy 4</p>	<p>Staff responses to Strategy 4 VRP were generally in favour of VRP with a number of staff indicating their own personal interest in the VRP should this proposal be decided upon as a viable strategy.</p>	<p>The University is running a voluntary redundancy program to provide staff with more choice around their future at this time.</p>
	<p>Staff voiced concerns that the VRP must only be true redundancies where the position is actually no longer required and the departure of staff members via the VRP must not negatively impact upon the workloads of colleagues nor should the VRP offering negatively impact upon the University's students.</p>	<p>The primary criteria for acceptance of both professional and academic staff applications is whether or not the position can be deemed excess to requirements. This can only occur where the position would not be replaced. Where the position is required into the future the application will be refused on operational grounds. Redundancies cannot be approved where the loss of the position would have consequences for the workgroup that could not be reasonably managed.</p>
	<p>Some staff members expressed concern that RDM affected staff members may not have sufficient opportunities to participate in ERP proposals such as the VRP as a result of the timing of the ERP VRP and RDM activities.</p>	<p>RDM and VRP timetables will be aligned to optimise options available to staff. The process for filling of RDM-affected positions will be separately communicated to staff and consulted upon.</p> <p>Applications for alternative work and leave options will open to all staff after the close of applications for RDM-affected positions.</p>
	<p>Staff responses also cautioned in that in declaring positions "redundant" (i.e. not to be replaced), it is important that Budget Divisions ensure that all aspects of operational coverage are reviewed including replacement for employee annual and long service leave, employees undertaking any Strategy 3 Flexible Leave &amp; Working Arrangements options and general workloads issues.</p>	<p>The VRP has a number of selection criteria which have been outlined in detail in the consultation brief.</p> <p>Individual Budget Divisions are responsible for ensuring these selection criteria are adhered to including a review of the Budget Division's overall: resource planning requirements (including replacement for staff on annual and/or long service leave); determination of any workload implications across the various work groups, etc. The</p>

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		<p>University will provide additional support to Budget Divisions to allow for job re-design and/or process re-engineering requirements.</p> <p>Applications for all programs (except the flexible leave and working options) will open on 7 September 2009 so that when considering applications for the VRP, budget divisions will be as informed as possible.</p> <p>Enhanced retirement options will remain open beyond the closure of the VRP and may present an alternative option for staff whose application for the VRP is not accepted. Other flexible leave and work arrangements (such as purchase of additional leave) are ongoing, however consideration of applications for these will not formally commence until the outcome of staff transition due to RDM is known (nonetheless staff will be encouraged to submit applications prior to this time)</p>
<b>STATUS</b>	<b>Approved</b>	

Topic	Non-strategy specific questions, issues or concerns expressed by employees via ERP Feedback (email)	University response
<b>Cost containment concerns and/or suggestions to consider</b>	<p>Several respondents inquired as to the viability of short term salary cuts (ie 5%) or Friday afternoon closure in 2010 and/or a move towards more part time (ie 90%) time fractions as a means to curtail salary costs.</p> <p>Additionally, a 'voluntary superannuation short term reduction scheme' was suggested.</p>	<p>In relation to alternative strategies put forward that are <u>outside</u> the scope of the ERP, policy changes would be required and the University would need to consult more widely on these issues. The University will review feedback requiring policy change(s), consult and respond accordingly.</p>
<b>Cost containment concerns and/or suggestions to consider</b>	<p>Some respondents suggested the University's senior staff also undertake a reduction in salary.</p> <p>Some respondents questioned and/or requested a review of 'middle and senior administration staff' at the Budget Division level.</p> <p>With respect to overall University purchasing, feedback was received requesting that the University consider a move to 'mandatory' purchasing policies that are strictly enforced with no exceptions and/or exemptions</p> <p>Responses also included curbing expenditure on 'external consultants' as a means to further cost containment.</p>	<p>As noted with the ERP Consultation Brief, in action taken prior to the ERP, the University's senior executive staff agreed to a salary freeze effective April 2009.</p> <p>The University's Budget Divisions are responsible for their workforce and resource planning. Earlier in 2009 the Budget Divisions undertook robust and rigorous planning and review cycles in order to formulate their business plans. These business plans were further reviewed by the Planning and Budget Committee.</p> <p>The University has undergone a significant review of purchasing and will introduce new policies in 2010 which will increase the University's purchasing power and further assist in cost containment measures.</p> <p>Wherever possible the University utilises its in house expertise in order to assure we meet our overall core operational and business goals. However, the University is a very complex institution operating in a competitive environment. From time to time the University benefits through obtaining expertise from external consultants to assist us to meet our core business goals.</p>

		It should be noted however that the University regularly capitalises upon the considerable expertise that is resident “in house”. For example, the expertise of Melbourne Consulting Services will be utilised in order to assist Budget Divisions in job re-design and process re-engineering in relation to the ERP.
<b>Strategy/ Topic</b>	<b>Non-strategy specific questions, issues or concerns expressed by employees via ERP Feedback (email)</b>	<b>University response</b>
<b>Cost containment concerns and/or suggestions to consider</b> <i>continued</i>	<p>Questions from respondents related to the University’s expenditure on ‘capital’ and infrastructure as well the ongoing need for ‘refurbishments’ were put forward.</p> <p>Questions regarding the costs of marketing and/or publications were put forward in line with concern for cost containment.</p>	<p>It is important for the University to maintain its position at the forefront of teaching and learning, to attract the best and the brightest and to attract partnerships with key stakeholders and to continue to generate new and additional sources of revenue. In order to support these actions, a sustainable capital program to ensure proper maintenance, renewal and investment in the University’s facilities is required.</p> <p>The University gets its message about courses and the benefits of a Melbourne education out to prospective students, those who influence them, and the wider community in a number of ways. Advertising is one of those ways, and it plays a key role in the success of Open Day and in the University’s engagement with prospective students. It is a fact of life that universities across the state are competing for the best students.</p> <p>AC Nielsen audited figures for 2008 show that universities in Victoria spent a total of \$11.6 million on advertising. The highest spending university put \$1.7 million into advertising while the University of Melbourne was the fourth on the list</p>

		<p>at \$1.1 million.</p> <p>Our advertising results have been extremely positive with the University of Melbourne having the highest ad awareness in the state even though we spend 9 per cent of the total sector spend.</p>
<b>Financial questions, concerns or issues</b>	<p>Respondents were unclear with respect to the financial projections outlined in the ERP Consultation Brief and in the staff presentation held on 28 July, particularly the reference to “\$191 million”</p>	<p>Additional financial briefing information, as included in the all staff presentation from 28 July, has been made available to staff as a web cast on the ERP web site at <a href="http://www.erp.unimelb.edu.au/">http://www.erp.unimelb.edu.au/</a></p>
<b>Revenue generation strategies</b>	<p>Respondents put forward a small number of revenue generation strategies, for example:</p> <ul style="list-style-type: none"> <li>○ Consideration of making “Southbank a public/private partnership” as a revenue generation strategy was suggested.</li> <li>○ Additional focus on the commercialisation of research was also referenced.</li> </ul>	<p>This feedback has been welcomed by the University and have been forwarded to the relevant Heads of Budget Divisions.</p>