



Finsec Response to NZ Operations Proposed Changes

6 October 2009

Introduction

Finsec represents a majority of Westpac staff working in the parts of NZ Operations affected by the re-structure proposal that was circulated by Westpac on 22 September. We have reviewed Westpac's proposal, and have consulted with our members to seek their views on it.

This consultation has brought forward a number of issues. Our response groups these issues respectively, into process issues, dealing with the consultation and change processes, and substantive issues, dealing with details of the proposal itself. The issues are as follows:

Process Issues

- *Consultation Process*

We note that once staff feedback has closed on 6 October, just two days pass within which a final decision will be confirmed, and re-deployment commences. Given that this proposal includes significant changes to the structure of the working environment, and at least twelve potential redundancies, Finsec believes that this is a manifestly inadequate consultation process. An adequate consultation process must build in sufficient time to genuinely review feedback given by staff, respond to issues and questions, and to seriously consider any alternative proposals that may arise.

Staff believe that the short period of consideration that has been flagged means that the outcome is pre-determined. Finsec strongly believes that Westpac should take at least a week to work through staff feedback, during which all options raised by staff should be properly considered, and a detailed response to the feedback prepared.

We also believe that the level of information provided in the proposal is inadequate. In particular we request further information about the efficiencies created by the dis-establishment of roles. The proposal clearly aims to make cost-savings through these dis-establishments, and the scope of these financial savings needs to be made clear so that employees and Finsec can properly analyse the proposal and potentially provide meaningful alternatives to the dis-establishments.

- *Redeployment and Redundancy Process*

The proposal involves a number of staff being re-deployed into alternative roles, and the potential for redundancies, with at least 12 FTE positions being dis-established.

Members in affected areas, particularly the Merchant Teams are unclear as to how re-allocation into new roles will occur. Across the Merchant Teams, 28 roles are being dis-established, to be replaced with 17.5 roles. The CEA re-deployment procedures place an onus on Westpac to identify at least one

comparable role for an employee when their original role is dis-established. Employees are unsure as to whether the alternative comparable roles that Westpac will identify will be limited to the immediate area closest to the work the employee was previously performing, or whether a wider array of comparable jobs will be offered to employees. Finsec strongly advocates that in the first instance, Westpac advises staff of the possible comparable roles that are available, then takes expressions of interest from employees, before offering comparable roles. This will enable Westpac to best match the interests of employees with roles that need to be filled. As a part of this process Westpac would also be able to advise employees of other non-comparable roles (ie: new Credit and Pricing Analyst roles which will be a different grade) that employees, on a voluntary basis would be able to express a preference for, and re-deploy into. In the teams in which roles are being dis-established, Finsec also advocates that expressions of interest should include an option for employees to elect voluntary redundancy. For many affected employees, particularly those in the Auckland Collections team, genuinely comparable roles will be difficult to identify. We believe that under these circumstances the fairest way through the process is to allow those employees whose roles have been dis-established by Westpac, the dignity of leaving on their own terms through this mechanism.

- *Position Descriptions and Grading of Roles*

While the consultation pack refers to draft position descriptions for the new roles being created, being made available, many employees report that they have not received these. Clearly, employees who do not know what their roles may look like under the proposed new structure, have their ability to provide meaningful feedback constrained. We seek clarification from Westpac as to whether PD's for all proposed roles have been developed and are available.

Secondly, the re-structure pack makes it clear that Hay Evaluations have not been completed for all proposed roles. Certainly, Finsec has not received any notification from Westpac about these evaluations as required under the CEA. It is completely improper for employees to be consulted with about this proposal while the grading of new jobs under the proposal is not clear. Furthermore, the proposal as it stands envisages that the re-deployment process will commence on 8 October, meaning that the re-deployment process will be commencing when the grading of roles is not settled. Grading is of course critical in determining comparability when re-deploying. Finsec believe that this breaches the CEA and is concerned that this issue has arisen several times recently at Westpac. We clearly signal that we will take steps to prevent a re-deployment process commencing until grading is properly worked through and settled.
- *Lack of Alignment*

While it cannot be changed as a part of the consultation process, many employees have noted that there has recently been a large intake of staff into Phone Assist, which now sits within CTS. Staff believe that had the alignment between that process and this re-structure been better, that there would have been a good opportunity for some of the staff whose roles are being dis-established, to transfer their skills into a Call Centre role. We would suggest that when future re-organisations of this kind are being looked at, that consideration be given to whether they can be aligned to staffing intakes in nearby areas of work.

Substantive Issues

- *Workload Concerns*

Staff in each of the areas experiencing an FTE reduction under the proposal have genuine concerns about the impact of increased workload. If more work

is simply allocated on to existing staff members then there is the potential for unreasonable stress on these employees. As a part of this consultation process we request that Westpac provide further detailed information to show how existing workloads will be re-allocated under the proposal. There is virtually no detail of this kind in the pack that employees have been given.

- *Allocation of Tasks*

In line with earlier comments about the lack of detailed Position Descriptions, members in Merchant Support Teams are concerned that little information has been provided about how tasks, functions, and responsibilities will actually be shared out under the proposal. Existing teams that have clear functions are dis-established to be replaced with a general “team member merchant support” role in the pack that has been provided. There is no clarity as to whether roles will be broken down within this team, or whether employees in this new team will each have to cover functions previously spread across the four dis-established team. We formally request clarification of this.
- *Transition Period*

Members note that there is little mention of the phase in period for the proposed changes, or training that will occur to assist people into new roles. This is an important part of any change process and we request that Westpac provides a clear plan for each affected area that outlines how training needs will be assessed and provided.
- *Training and Support for employees in dis-established roles*

A number of employees face a real prospect of no comparable jobs being available. These employees may seek non-comparable roles within Westpac, or may be made redundant. Either way, Finsec believes that Westpac has a responsibility to provide active support to assist these employees with a major transition in their lives. Where no comparable roles are available to an employee after dis-establishment we request that Westpac provide the following direct support:

 - CV assistance
 - Interview training and access to a careers coach
 - Active support from P&P during the notice period to identify non-comparable roles that the employee might wish to pursue
 - Direct financial assistance to re-train or up-skill (similar to that provided to the ANZ National bank)
- *Casual Staff*

The Merchant Assessment and Correspondence team has identified that Westpac has heavily used casual staff in recent times. We request to know whether the current figure of 28 roles includes casuals currently employed in this area. Additionally we wish to know how Westpac plans to use casual staff members in the Merchant Support area at a time when roles are being dis-established and replaced with fewer roles.
- *Staffing Commitment*

At CEA bargaining this year, Westpac made a commitment in the Terms of Settlement to “endeavour to maintain current staffing numbers within the organisation”. We recognise that this commitment allows flexibility for business realities, and for movement of staff across different parts of the business. However we also believe that the commitment places an onus on Westpac to demonstrate that it has actively considered the maintenance of staff levels as a part of any change process. We request to know what steps Westpac has taken to observe this commitment as a part of this re-structure.

Further Steps

A number of issues have been raised in this response to Westpac's proposal to re-structure parts of NZ Operations. We request that Westpac genuinely consider these issues, and that a meeting be arranged to discuss these issues as a part of the consultation process. Please contact Michael Wood or Vicki Gordon at Finsec to arrange this meeting.