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CU Service 2000

A client-centred transformation
of corporate services

00/16

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Edith Cowan University

Evaluations and Investigations Programme
Higher Education Division

Department of Education,
Training and Youth Affairs





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1. Introduction

ECU is the second largest university in Western Australia, educating about one third of the state's students. The 20 000 students either attend one of the five campuses or undertake their course through external study. Four of the campuses are within the Perth metropolitan area and one is at Bunbury, a regional city in the south west of WA. It is the campuses that form the core of ECU's identity, with each bringing a rich tradition of teaching quality and large numbers of alumni over the past century.

The University has developed high quality programs, especially for the professions in the expanding services sector. Like other 'new' universities ECU's research strengths are rapidly expanding after strategic investment of significant resources, and ECU holds a leading position in the practical application of core educational technologies. International student enrolments have steadily grown, as has private income from alliances and partnerships with other educational providers and the corporate sector.

All of these are positives in a competitive and dynamic higher education environment. However, ECU is not yet 10 years old, and external pressures have grown considerably in the past four years with pressures on public funding colliding with the mass increase in students seeking enrolment; and with globally-driven changes in academic work and the need for flexibility coming up against an increasingly imperfect industrial system. No Australian university has had the privilege of immunity from these changes, and strategic positioning activity around the country is increasing. ECU began its strategic planning process in 1997. The University's strategic plan, released in 1998, stated:

The administrative divisions of the University will be flexible, responsive to change, service oriented and efficient in delivering support and services to the University. This will be achieved by introducing improvements in structures and processes ...

(The Edith Cowan University Strategic Plan 1998–2002:p29).

The strategic plan made it clear that ECU was seeking to enhance its position in a competitive higher education market by making sure resources and operations were focused on its core business of teaching, learning and research. In essence that meant ensuring the expectations and needs of students were met through the provision of high quality services. To meet this need a review of ECU's corporate services was undertaken in late 1998 and, after consultation, a final decision on the shape of the restructure was made.

This paper describes the process and final form of the restructure, in which eight divisions with traditional and compartmentalised functions were

transformed into four client-focused service centres. This was a radical move in a sector that has not traditionally seen itself as having 'clients', and where administration has tended to be organised along functional lines. The implementation phase of the restructure is described, including the important principles and processes used to manage change. The final section of the paper has the advantage of hindsight, and examines ECU's relative success, and some of the pitfalls, in moving to the new philosophical approach of a client-centred focus.

2. Background: a ‘new’ university

2.1 The WACAE legacy

Edith Cowan University was established on January 1, 1991, but its origins date back to 1902 when the first tertiary institution in Western Australia was established in Claremont as a training college for teachers. During the decades that followed other teacher training institutions were formed to meet demand. As was the case in most parts of the country during the 1970s, the WA government commissioned several post-secondary education reports. One outcome was the creation of the Western Australian Academy of Performing Arts in 1978, established within the then Mt Lawley Teachers College with its own Board of Management. A later outcome was the amalgamation of the teacher training colleges.

In 1982 the training colleges were merged to form the multi-campus WA College of Advanced Education (WACAE), including the Bunbury Institute of Advanced Education. The Bunbury Institute and Perth metropolitan colleges of advanced education at Mt Lawley, Claremont and Churchlands were reconstituted as university campuses when WACAE was redesignated as Edith Cowan University in 1991. It is from this historical and cultural background in teaching that ECU emerged as one of the post-binary system ‘new’ universities.

In 1991 ECU became the second largest university in WA, and part of what was termed the Unified National System. From this time the increased government influence over the higher education system saw a regulatory focus on quality and profile—the challenge for ECU was to boost research and postgraduate studies from a very low, teaching-centred, base. In the past five years ECU’s research profile has developed considerably, and resources continue to be allocated to research and research training. The vision of Edith Cowan University is to be a progressive university of higher learning. This vision sets ECU apart as a university where academic staff develop and value their professional expertise in teaching, and in the construction of learning environments, as highly as they value their subject matter knowledge and research achievements.

2.2 ECU in WA: a fourth university

ECU came into existence in 1991 with an integrated, five-campus structure reflecting its historical features. Claremont, Churchlands and Mt Lawley are inner-metropolitan campuses; Mt Lawley in particular close to the Perth CBD. Joondalup is a large campus being developed to tap into the northern suburb corridor growth; and Bunbury is ECU's South-West campus, 240km from Perth.

In the higher education sector in WA, factors ECU must take into account include a competitive higher education sector, Year 12 retention rates, university-TAFE balance, the state of the economy, employment opportunities, the demand for skilled workers, and Commonwealth and State government policy directions. State planning projections suggest that in 25 years approximately 30 000 extra university places will be required in WA, two-thirds in the metropolitan area and a third in the South-West region.

Student enrolments in WA increased by over 20 per cent between 1993 and 1998 (a total of approximately 52 000, with 30 per cent of these enrolled at ECU). The majority of ECU's students are aged over 19, with 6 per cent of the student load enrolled in higher degrees. Over the whole WA sector, the proportion of postgraduate enrolments has been steady for several years, as has the full-time:part-time ratio, while fee-paying overseas enrolments have almost doubled in that time.

These demographics, combined with WA's relatively low higher education participation rates compared to the rest of the country, could be powerful arguments for growth funding. Table 1 (below) shows selected comparative figures for the four publicly funded universities in WA.

Table 1: Selected indicators of WA universities

	Total students 1999	% students aged over 25 1999	% Overseas students 1999	% part-time or external students 1999	General to academic staff ratio 1999	Research income per research staff 1999 (\$)
Curtin University of Technology	24 005	39.0	25.4	40.7	1.3	19 276
Edith Cowan University	19 259	49.3	8.1	52.5	1.6	8 062
Murdoch University	10 660	43.8	15.8	41.7	1.5	32 789
University of Western Australia	13 333	23.0	11.1	19.7	1.4	61 287

Source: Selected figures from DETYA 2000, Higher Education Report for the 2000 to 2002 Triennium

WA's population distribution is unusual, with three-quarters concentrated in one urban centre, and the rest in distant regional centres or isolated in the far north or inland. The development of distance education in this State using new technologies is therefore essential, as is resourcing and promoting regional higher education access. ECU's South-West (Bunbury) Campus has in the past five years undergone considerable upheaval, leading to review and restructuring as both a faculty and a campus. The interests of the South-West Campus are very important to ECU's strategy for the future, as is the promotion of its distinctive place in the life of the regional community.

WA has the highest export earnings of all states, with mining and manufacturing the most important export-earning sectors but with the services sector dominant in terms of employment. This rapid growth has seen a boom in the services sector with tourism becoming increasingly important and future employment growth set to continue. WA's growth is likely to be in the Perth metropolitan north-west corridor and Bunbury/South-West region.

The operating costs of a multi-campus institution are significantly higher than for a single campus university of a relatively similar size. The funding policy framework in Australian higher education is formula-based and does not take into account fixed operating costs. The Federal Government allocates funding proportionally for each type of course depending on the student load within each university's profile. ECU has juggled with the resource pressures of maintaining and developing a range of offerings on each of its campuses.

Over time it became clear at ECU that from an economic and service quality viewpoint, the University needed to consolidate on fewer campuses. Resources such as physical plant, student labs, network infrastructure, libraries, bookstores and other student services were replicated on each campus, while administrative services such as human resources, finance and the IT help desk were by their very nature centralised, mostly on the Churchlands campus.

ECU has an informal policy of 'no student will be forced to travel'—that is, all compulsory units in an award are available at the 'home' campus of the course, and students are not required to travel to another campus to study units which must be completed for their award. Some staff, however, do travel between campuses to teach.

Four years ago the University began planning for campus rationalisation, aligning campus development plans with academic and strategic planning. In these plans, metropolitan academic programs will be consolidated on to the Joondalup and Mt Lawley campuses to increase the provision of courses in Perth's rapidly growing northern suburbs. As a clear statement of ECU's

commitment to service the northern corridor, Chancellery and administrative headquarters will be relocated from Churchlands campus to Joondalup.

The Claremont campus is small and based around the heritage college building dating from 1902, and while no longer academically viable, houses a function and conference centre and ECU's Museum of Childhood. The External Studies unit has been based at Claremont, and along with small units of academic support activities, is in the process of being relocated to other metropolitan campuses, while negotiations proceed with the State Government around the sale of the Claremont and Churchlands sites.

The Bunbury campus has a small enrolment of almost 670 EFTSU, and is ideally located to respond to the education needs of the communities in the South-West and Great Southern regions of WA. The WA Government's State Planning Strategy calls for an increased focus on environmental and economic management, tourism opportunities and the expansion of service industries in the South-West region, and ECU Bunbury is in a good position to respond to these objectives, as well as consolidating its central place in a regional health and education network.

The Mt Lawley campus focuses largely on the activities of the Western Australian Academy of Performing Arts (WAAPA), along with courses in business, social sciences, communications, education and the computing and multimedia areas. Currently the student load at Mt Lawley campus is 5000 EFTSU, with a planned increase to 6000 within five years and estimated long-term capacity of 12 000.

Joondalup will be the major campus of ECU in the coming years and the site of Chancellery. Given its size, proximity to TAFE, the new WA Police Academy and the Joondalup Health Campus, ECU Joondalup will become the heart of an extended educational precinct. The planned restructuring and rationalisation program, together with ECU's move to differentiate itself in a relatively small market by focusing on the service professions, will provide significant benefits for students and the communities it services, and will also assist in rationalising the provision of higher education in the Perth metropolitan area. The student load at Joondalup campus is currently 3000 EFTSU, expected to double within five years, and with a long-term capacity estimated at 18 000.

Notwithstanding campus consolidation, ECU will still maintain its multi-campus identity with two metropolitan campuses and the Bunbury regional campus.

The University's Strategic Plan acknowledges that ECU cannot fulfil its mission and secure its future without adequate funding and careful financial management, which will require a 'toughminded approach to revenue

generation and cost reduction at levels well beyond those required of the University in the past'. One of the goals of the corporate services review was to free up significant funds that could be reallocated from the administrative functions to the academic core of the organisation.

ECU's present funding tensions will no doubt increase as government policies encourage universities to reduce dependence on public funds and diversify their funding base. This, coupled with the user pays philosophy, will continue to put pressure on ECU as the University competes for students (domestic and international) and income from new sources. Like other 'new' universities ECU is not a wealthy institution. Operating costs will continue to rise as ECU puts resources and effort into attracting and retaining high quality staff through promotion and recruitment. Strategically the University must expand its revenue sources and to do so ECU will need to become more enterprising, more imaginative and more entrepreneurial.

2.3 Strategic planning and a client focus

Since February 1998 the University has been implementing its five-year strategic plan, towards a student-centred approach to teaching, learning and the administration of student services, and in the process becoming a cross-sectoral institution, with growing links to local education organisations and industry, a strong identity and high quality services. The strategic planning process, instigated by the new Vice-Chancellor and University Council in 1997, revealed strengths, weaknesses and opportunities inherent in ECU's position in the sector.

ECU's reputation for professional instruction is a legacy of its history as the foremost provider of teacher education in WA, and augmented by the University's development into a major provider of education in the areas of business, nursing, social sciences and other service sector professions. The Strategic Plan outlined objectives to build on these strengths over the five-year planning period. In particular, ECU has increasingly defined and positioned itself as a professional university, providing service to and preparation for the professions, especially in the growing services sector. The plan's defining themes of *service, professionalism and enterprise* underpin ECU's 'commitment to professionalism in its approach to everything it does'. These themes are integrated into the University's approach across the broad sweep of its activities, and guide all aspects of its strategic planning.

The plan clearly outlined the organisational principles and values necessary to achieve ECU's mission:

To provide, within a diverse and dynamic learning environment, university education of a recognised quality, especially for those people employed in, or seeking employment in, the service professions

The Strategic Plan states:

Central to achieving the mission of the University is the need to have quality staff, appropriate infrastructure, and adequate support services for staff and students. The University is committed to the development and implementation of an organisational climate that ensures the retention and recruitment of quality staff and maximises their contribution to the University's mission.

In conjunction, the University recognises the importance of providing a physical environment which is safe, healthy, attractive and convenient to teaching, research, leisure, cultural and community facilities to ensure staff and students realise their full intellectual and professional potential.

The administrative divisions of the University will be flexible, responsive to change, service oriented and efficient in delivering support and services to the University. This will be achieved by introducing improvements in structures and processes, eliminating duplication, benchmarking against best practice standards in other institutions and systematically evaluating performance.

Consequently, the University will operate in accordance with the following organisational principles and values.

- **Service orientation**

Staff will be responsive to both internal and external clients in a timely, proficient and friendly manner. All functions undertaken by staff will be viewed as providing a service whether it is directed towards students, colleagues or other clients.

- **Taking advantage of technology**

The University will actively support the use of technology that enhances the speed and quality of decision making processes, administrative functions, and delivery of services through an information technology management program encompassing the purchasing and upgrading of technology, integrated implementation strategies, and staff development and training.

- **Effective devolution**

The process of devolving decision making to the organisational units where the expertise and experience at the local level can be utilised and optimised will be maintained. The devolution of functions will only occur when the proposed outcome has been assessed to be in alignment with the strategic directions of the University, is of cost benefit to the University, and does not adversely affect another area. The devolution process will be implemented in accordance with change management principles and practices.

- **Clarity of accountability**

Clear reporting lines, areas of responsibility and accountability for the roles and functions of staff members will be established. Duplicated or ambiguous areas of responsibility will be eliminated as far as possible.

- **Focus on primary tasks**

Each area will identify its core business activities that are aligned with the strategic directions of the University, their faculty/division, and school/branch. Any activity not deemed to be core business or which can be more effectively performed by other areas of the University, or by external organisations, will be phased out, devolved or outsourced.

- **Fee for service**

Where appropriate, the administrative operations of the University will be funded on a fee for service basis in order that the most cost-effective administration is developed. Areas of subsidisation will be identified and justified.

- **Clarity of objectives and performance**

Objectives set by Faculties/Divisions and Schools/Branches will be specific, measurable, attainable, agreed, relevant and time specific. Performance will be assessed on the attainment of these objectives.

- **Quality management**

Underpinning the core business of the University will be strong and supportive leadership. Staff in supervisory roles will be expected to develop and implement appropriate managerial skills and competencies that empower and motivate their staff to contribute to the achievement of the University's strategic goals to the best of their abilities.

- **Effective consultation**

To ensure the University meets the needs of students, staff and the community it will operate in a consultative environment which seeks the feedback and views of stakeholders. Consultation is critical to facilitating effective change management in this continuing environment of reform.

- **Cooperation**

All areas of the University will act in a cooperative manner to the collective benefit of the institution and reduce unnecessary duplication of services and resources. Highly integrated professional working relationships between academic and general staff are regarded as vital to the development of a leading teaching and research institution and will be encouraged and rewarded.

A major part of the Strategic Plan addressed change management and the implementation of the plan's objectives. Proposals generated by the strategic planning process would clearly have a major impact on the future direction of ECU, and the plan specified a commitment to a change process aimed at repositioning the University strategically in an increasingly competitive, deregulated and global higher education market.

An essential element in the introduction of any change is broad consultation with stakeholders within the University community, so that staff are made familiar with the rationale behind the decisions which are taken as a result of strategic planning. The enterprise agreements entered into with academic and general staff in 1997 explicitly laid out the industrial context for change management, under Management of Change clauses in both agreements. These clauses were designed to facilitate consultation with staff and unions, specifically for the implementation of change arising from strategic planning decisions. A feature of ECU's enterprise agreements is the requirement for joint consultative committees for change management purposes.

The review of ECU's corporate services, and the implications that would flow from it, meant a significant change in organisational culture. The majority of areas identified did not have either a history or philosophy of customer service, and careful thinking needed to be given to an appropriate set of change and leadership strategies. Throughout the corporate services restructuring process, including the two-month review itself, the Strategic Plan and respective enterprise agreements underpinned the University's obligations to manage change via several processes. These processes are described in further detail in sections 4 and 5.

The guiding principles for the future design of ECU's corporate services were driven by the key themes of the strategic plan and supported by best practice:

- **Service culture:** the culture of corporate services ('the way we do things here') must be based on providing excellent service to students, to faculties and to staff. This means that corporate services' strategy, leadership style, staff skills, structure and systems must all be aligned with the delivery of service

- Customer focus: its customers must see corporate services as being focused totally on them. This means that key, high profile points of contact must be maintained, and used as a basis for a meaningful, ongoing relationship
- Clear accountabilities: the services to be provided by corporate services, and the activities it must perform to deliver those services, must be clearly defined and agreed with its customers. This means that mechanisms such as a student charter and service level agreements with faculties should be established
- Efficient and effective processes: the processes in which corporate services are involved (either transactional or conceptual processes) must make the best use of resources across the University, while delivering the desired level of service. This means that they must be streamlined, not only within corporate services but also within the faculties
- Cohesive planning: the delivery of excellent services to students, faculties and staff demands that planning must be undertaken in a cohesive manner across the major functional areas of corporate services. Integration with the University's corporate and strategic planning process will be critical

Australian universities enter the year 2000 with the traditional values of higher education under challenge while change is accelerating at an unprecedented rate. Along with all other institutions, ECU is making strategic choices about its preferred future and must aim for a differentiated position, a distinctive 'brand' of student-centred effectiveness, which will ensure a sustainable competitive advantage in the era of the global university. Critical to achieving such a position is ECU's ability to reconfigure, and drive and set priorities. The key to future success is to be client-centred, not institution-centred.

3. Service, professionalism and enterprise

To achieve its strategic objectives ECU requires administrative and corporate services that are client-focused, efficient, flexible and responsive to change. The University has sought to improve its operations by introducing improvements in structures and processes through the Corporate Services Review, which during the implementation phase of the project was redesignated ECU Service 2000.

The three defining themes of *service, professionalism and enterprise* are the foundation blocks for ECU's new operational structure, and continue to guide all aspects of strategic planning.

Service is close and productive involvement with the professions, government, industry, the community and educational institutions at local, national and international levels

Professionalism is demonstrating the highest standard of professional behaviour in relationships with students, staff and the community

Enterprise will increase the international dimension of the University's teaching, research and community service programs through selective partnerships and alliances, and by promoting the University's strengths and differentiation in local, national and international contexts

As the roll-out of strategic planning objectives continues these core themes are becoming embedded in all activities, including management plans for teaching and learning, research and research training, quality assurance and improvement, and particularly in the development of ECU's Staffing Plan.

4 Corporate services review

4.1 Methodology and findings

4.1.1 Review methodology

In October 1998, Edith Cowan University commissioned the consulting firm of Ernst & Young (E&Y) to undertake a review of corporate services at the University. The objectives of the review were to:

- Improve customer service for students, staff and other stakeholders, and
- Achieve greater operating efficiencies resulting in the freeing up of resources, which could then be redirected to the University's core business of teaching, learning and research

The scope of the review initially included the following seven divisions of the University:

- Facilities and Services
- Finance
- Human Resources
- Student Services and Administration
- Information Technology
- Library
- University Learning Systems

Midway through the review the division of Academic Services was included in consultations. The review was undertaken over a two-month timeframe, with a final report delivered by E&Y and published within the University community on 18 December 1998.

The consultants worked with the directors and nominated staff of each of the eight divisions through the five stages of the review. Stage One was project establishment (developing an understanding of ECU's strategic planning and overall change program); Stage Two assessment of current state (data gathering, documentation of current processes, IT and human resources analysis); Stage Three opportunity development (a two-day workshop with directors and project team members); Stage Four development of recommendations (including a cost/benefit analysis to support the major

investment proposals), and Stage Five implementation planning (preparation of a risk and change management plan and benefits measurement strategy).

The review methodology had its strengths, but also weaknesses related to the tight timeframe in the two months at the end of 1998. At this busy end of the academic year many staff take leave, students disappear from campuses, and the looming Christmas shutdown has the effect of increasing workloads. There was a perceived shortage of student/other customer needs analysis or input into the review, as surveys of customer groups were almost all drawn from staff. In addition, because of the low response rate to a customer satisfaction survey, the results could not be considered valid and therefore were not submitted with the final report.

Bearing in mind the significant pressures on staff during this period, the University committed to wide levels of consultation between E&Y, management and staff representatives. The focus of change was services to students, but communications with ECU's large student body were hampered by an unrepresentative student guild. Western Australia's Voluntary Student Unionism legislation (1995) had an exceptional impact on ECU's Student Guild, which had a low membership base (less than 10 per cent) and no investment or commercial income to survive the transition, continue to provide services and so attract members. Consultation with students throughout the faculty restructure of 1998, and the corporate services review and implementation in 1999, was complicated by the lack of resources and fragmented state of the guild on all campuses. It was necessary to set up alternative means of communicating with students and obtaining their views, and to this end the Vice-Chancellor's Student Advisory Forum was established (see section 4.3). Consultation with some student groups was also widened to include the International Students Office and the Graduate School.

During the review phase, university-wide communications were coordinated by ECU staff on the CSR Project Team, which included at least one staff member from each division. The E&Y consultants and project team leaders met regularly with the steering committee and the divisional directors, and made presentations to Chancellery Group (comprising the Vice-Chancellor and senior executive team). Ernst & Young also presented their progress at workshops with the University's joint consultative committees. Progress updates were published in regular newsletters, a standard University email address was provided, and the Change@ECU website was developed, to make available the full details of the E&Y Report when it came out, a frequently asked questions (FAQ) link, and a feedback form for staff and students. This website continued its central communications role throughout the consultation and implementation phases of the restructure.

4.1.2 Review findings

Current state analysis provided a ‘snapshot’ of the operating divisions at the time of the review, and combined with strategic alignment, processes, information technology and human resources assessments, produced a series of observations relevant to ECU’s change readiness, including:

- A lack of shared strategic objectives across the eight divisions, with each division identifying its own unique goals and objectives
- Library strategies and initiatives were closely aligned and had a strong customer service focus
- The large majority of initiatives were focused on improving customer service, although few appeared to be focused directly on cost reduction or revenue increases
- The delays in progress of ECU’s campus consolidation plans (ie. Claremont and Churchlands disposal decisions by the State Government) were inhibiting many other initiatives
- There was no clear strategic direction in the IT division
- The allocation of funds to IT was made on an ad-hoc basis, and a lack of standards would hamper future improvements

The review continued with further work undertaken by E&Y in partnership with ECU staff and management, and the E&Y report was presented in December 1998. The major findings of the corporate services review were:

- The eight divisions operated quite independently of each other and generally had a functional focus, rather than a customer focus. As a result, there was a distinct lack of coordination in operational strategy and planning, and in development of new initiatives. Similarly, lack of integration between business application systems undermined the ability to provide the University with accurate and meaningful management information relating to staff, student and financial data
- Customer interfaces were fragmented across the corporate services divisions. Students, who were the primary customers of the University, were required to go to numerous different locations for basic administrative matters including student ID cards, welfare counselling and parking permits. This was not only inconvenient for students in general, but somewhat daunting and unwelcoming for first year student, in particular. Similarly, staff and faculties had to deal across the eight divisions covered by the review, for their management and administrative support
- The core management processes of the University were inefficient. In particular, the order-to-pay process (requisitioning of goods through to payment of supplier), as well as payroll, budgeting and reporting and

student administration processes were not efficient. To a significant extent, this was due to the information systems not being distributed to faculty users, leading to duplicate records kept on PC based software as well as in the corporate system—data entered at the faculties was re-entered in corporate services. In addition to an obvious waste of resource, this also resulted in inconsistency of information, which caused confusion and frustration. Projects are underway currently to provide distributed systems and it will be important, when implementing these, to thoroughly rethink the processes and practices associated with such systems, so as to achieve the intended efficiency and effectiveness gains

- Information technology planning, infrastructure, resources and investments of the University were fragmented. While an overall communications and information technology plan had been developed, there was at the time of the review no mechanism for ensuring customer-responsiveness, or for translating plans into timely actions. Independent desktop support within faculties and in corporate services had led to multiple standards for desktop configuration, local area networks, and so on. Customer support had become fragmented and help-desk availability was restricted to 8am to 5pm, Monday to Friday, which had clearly become inadequate for both students and staff
- The accountability for functions was not clear in many cases. Over time this had resulted in similar tasks being undertaken both in a division and a faculty, proving to be an inefficient use of resources which too frequently led to error, confusion and a potential source of conflict. At the time of the review there was the strongly held view that corporate services had a controlling role, rather than a supporting and service role. This was reflected, for example, in various bureaucratic processes where routine operations required numerous authorisations

4.2 CSR recommendations

The key principles underpinning ECU's strategic planning created the framework for the E&Y recommendations. These five principles (described in Section 2 above) are: service culture; customer focus; clear accountabilities; efficient and effective processes, and cohesive planning.

Within this context E&Y recommended three major customer service mechanisms:

- A Student Service Centre providing 'one-stop-shops' to students on each campus

- A call centre providing 24-hour telephone/internet access to students, staff and the community, and
- Account management (or customer relationship management) positions, designed to provide a focus for customer liaison between faculties and the service centres.

These structural mechanisms were supported by a number of critical people-related factors, underpinned by an essential strategic focus on IT policy and infrastructure. The consultants developed a four-part recommended organisation structure and a number of business cases for realigning ECU's corporate services (see Appendix). Two 'front-line' centres were proposed: a Student Service Centre highly focused on servicing the students of ECU, which would incorporate a 24-hour call centre; and a Teaching and Learning Centre, highly focused on providing academic support to the faculties, using the account management concept.

Two business support areas were proposed: the first was Management Services, highly focused on serving the faculties and the two front-line service centres, continuing the use of account management principles. This centre would be responsible for coordinated operational planning, policies and standards and for providing expertise in human resources, finance, IT and student administration. The second proposed area was termed Operations and Commercial Services, which would provide facilities management, commercial services (non-academic), IT infrastructure and transactional processing to the faculties and front-line centres.

In the finance area, budget re-engineering was recommended to provide web-based budgeting information on desktops, eliminating the need for stand-alone, personalised spreadsheet models and regular memorandum records. Also proposed was the establishment of a preferred supplier register for common use items within the University purchasing guide.

The review recommended investigating the benefits of outsourcing IT infrastructure and operational support, following consolidation and restructuring of the division. The view of E&Y was that this move would not involve IT planning and policy and account management, as these activities were seen as critical to the University and therefore should be retained in-house. These changes were proposed in line with the implementation of a standard operating environment (SOE) for desktops and servers by leasing IT equipment; the proposal to investigate the appropriateness of outsourcing the University modem pool to an external provider; and the upgrade of networking infrastructure to increase traffic capacity and allow for a core video network to enhance teaching and learning opportunities through new multimedia technologies.

Much of the detail in the IT proposals came from plans already being addressed in the division, particularly in relation to the urgent need for equipment and capability upgrades. Previous reviews of budget processes in Finance had also identified opportunities for improvement, linked to specific IT equipment and software upgrades. The E&Y final report incorporated many of these initiatives in its recommendations, contributing to the significant performance and financial benefits identified by the consultants:

Performance benefits

- substantial and strongly supportive of ECU's Strategic Plan
- customer service focus with the successful introduction of the Student Service Centre, Call Centre and account management
- streamlining and elimination of duplication and inefficiencies through re-engineering business processes
- combining like activities to form centres of expertise with critical mass, as well as through improved coordination of operational plans and policies
- numerous new and challenging jobs for those staff who wished to be part of an exciting future with the University

Financial benefits

- in summary, E&Y reported that indicative net recurrent savings to the University in the order of \$6m per annum could be achieved from 2001 if all the recommendations were successfully implemented. In the first two years of implementation, there would be significant investment required in technology and in redundancy payments.
- E&Y anticipated that outsourcing may affect approximately 150 FTEs and a reduction of around 50 FTEs through redundancy if all recommendations were implemented
- The projected savings took no account of potential reductions in required general staff in faculties, as services improve and efficiencies were realised, nor did they include the significant savings linked to campus consolidation plans

The consultants identified a number of quantifiable benefits that they believed would be realised if all recommendations were accepted and put in place.

The anticipated net savings (based on comparison with 1998 financial figures), over a five-year implementation period, were:

	\$,000
Year 1	-2437
Year 2	2461
Year 3	6756
Year 4	6066
Year 5	5988

The additional costs identified in the first year following restructure primarily related to investment in buildings and technology and redundancy payments to staff. To partially offset this some additional revenue-generating activities were proposed, and savings were identified within the proposed new service centres and the University generally. However, it was unlikely ECU would adopt any of the E&Y proposals without some modifications.

4.3 Consultation and referral

The consultation phase of the program was very intense during January and February of 1999, when the University undertook a detailed review of the E&Y proposals. As a result of expert staff feedback, a number of the initial recommendations were later modified, and a number of the improvement initiatives were amended: some would not be implemented, or be modified to a different timescale. Throughout this crucial stage the change management principles of ECU's Strategic Plan, and the specific enterprise agreement clauses relating to staff and union consultation, underpinned the change management process (see Section 5).

To manage the consultation phase the University established an Interim Project Team led by Jackie Moffatt (Manager, Bibliographic Services, Library) with support from Mary Rawlinson (HR and Training Manager, Facilities and Services), and which included five senior staff members from the reviewed divisions. The team was established specifically to receive and collate submissions from staff, students and other interested parties regarding the E&Y report, and prepare information for the in-principle decision making phase, over the eight-week period. Over 65 individual and work group submissions were received. The team's concurrent task was to distil the volume of information and help frame recommendations for consideration by the Interim Steering Committee.

Several campus discussion meetings were held to respond to staff queries about the review processes, the detail of the report proposals and the next steps. Comments raised during these meetings ranged from general

conceptual concerns to some quite detailed procedural issues. The extensive consultation during this process included:

- Surveys during workshops with customer groups on campuses
- Focus sessions with staff
- Progress briefings with union representatives and staff at the joint consultative committee meetings
- The General Staff Joint Consultative Committee (GSJCC) meetings moved from monthly to fortnightly during the consultation period
- Regular progress updates throughout the University community, electronically and distributed newsletters
- Designated website relating specifically to Change@ECU

The Interim Project Team then prepared three similar but alternative structural models to the one proposed by E&Y, and presented the models to special meetings of deans and directors. The deans and directors were supportive of the move to make in-principle decisions on a new structure quickly, but urged that ECU not rush into the implementation process without careful planning. The Vice-Chancellor asked the Interim Project Team to work with the Interim Steering Committee to:

- Draw up a draft set of principles on which the University might base its decisions relating to corporate services
- Draft one preferred model (or a limited number of variations to a preferred model) that was consistent with these principles
- Extend the scope of the team's coverage to include all areas of corporate services (eg. any areas listed as outside the E&Y review), and identify one or more ways in which these might be included in the preferred model
- Consider the issue of how the proposed service centres would relate to the faculties, with particular regard to the role of account/relationship managers and faculty managers
- Consider the implications of a new structure for executive responsibilities and, in particular, the feasibility of designing a form of matrix management in which executives may carry both line responsibilities and policy responsibilities.

The Interim Project Team extended the consultation process to include faculty managers as well as the directors and managers of all other areas of University administration. For example, one area that many in the University community thought had not been included in the CSR was that of faculty administrative staff in student services, IT or finance, over several campuses (the E&Y review had covered this area, but only briefly, and reference to the issue in the report was negligible).

In March 1999 the Vice-Chancellor approved for release a University discussion paper, 'Principles and Proposed Structure for University Corporate Services', prepared by the Interim Project Team in consultation with the Interim Steering Committee. The paper detailed the preferred organisational arrangement for corporate services (see 4.4), comprising a Student Service Centre, Teaching and Learning Centre, and two Business Support Centres (based on the E&Y recommendations, but with modifications). The discussion paper proposed that the term 'division' be changed to reflect ECU's new philosophy of client-centred services, by use of the terms service or support centre. The Discussion Paper proposed an organisational structure with some aspects of senior executive matrix management in the reporting lines of the Management Services Centre and Facilities and Services, in terms of staff planning and resources management. (Matrix management was not proceeded with in the final organisational plan.)

The internal consultation process alone could not give the Vice-Chancellor the assurance of independent advice from high level people with experience in complex organisational change. At the same time as the University community was asked to comment on the discussion paper, an independent external CSR Reference Group was convened, and provided with all background documentation and the University discussion paper. The eight members of this group were invited to take part on the basis of their considerable expertise across a range of business, government, education and academic experiences, in WA, nationally and internationally.

Two meetings were convened, chaired by ECU's Pro Chancellor Ms Kath White, a senior member of the group. During the meetings telephone conferencing was used for those members overseas or interstate, and on these occasions the Reference Group was able to seek further information, and provide comments, insights and advice to the Vice-Chancellor on the value and feasibility of the proposals in the discussion paper. Additionally, in April the Reference Group provided a written report of its recommendations.

The Reference Group fully endorsed the changes proposed following the CSR, and the report stated:

It was agreed unanimously that the changes proposed following the Corporate Services Review are essential for the University's future prosperity and that the Vice-Chancellor should be encouraged to proceed with this process. In particular, the desired outcomes of placing greater emphasis on service to clients, rather than functional alignments and freeing up resources for teaching and research activities, are fully endorsed by the Group's members.

The Reference Group noted that substantial consultation had already taken place and urged that the implementation phase proceed as soon as possible, so that momentum was not lost and the benefits of the changes would flow as early as possible. Major recommendations were:

- Appointment of a change management specialist full time to be directly accountable to the Vice-Chancellor, supported by a project team of staff totally committed to achieving success in the project
- Communication and consultation should be honest, open, consistent and regular, using a variety of media, and including a high level member of the University's public relations staff on the project team
- The values characterising the process of change must be clearly enunciated, addressing issues such as job security, equitable treatment for staff, the manner in which options for outsourcing would be considered, and the respect with which staff and their views would be treated
- Timeframe planning should allow flexibility to permit unforeseen contingencies, but also be sufficiently rigid to ensure early outcomes
- The project outcomes must be specified at commencement and those responsible for achieving them held accountable, and savings should be independently audited
- Key players in the new structure should be identified as early as possible as they would carry the responsibility for detailed planning within the structure
- Matrix management was unanimously not supported by the Reference Group, as the view was that split management functions led to the possibility of decreased accountability and role confusion

In a condensed timeframe, the Reference Group contributed enormously to ECU's ability to move swiftly to the implementation phase of the corporate services review. A week later the Vice-Chancellor announced to the University community that the implementation phase of the project would start immediately, and detailed the mechanisms and responsibilities involved. The CSR Reference Group's report and staff submissions were placed on the Change@ECU website for students and staff to access.

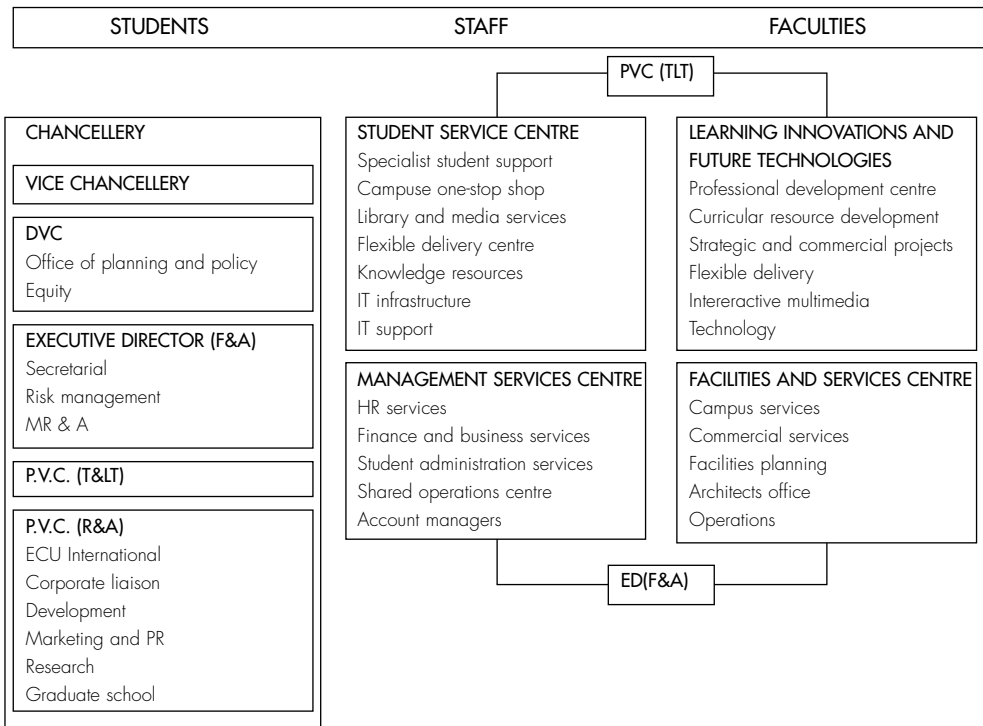
4.4 The new design

The implementation phase of the project (described in Section 5) was a time of considerable upheaval at ECU. The Interim Directors and Project Coordination Team, in consultation with the Management Group, developed over a rugged six months the final proposals for the new service centres after

extensive examination of priorities and budgetary parameters, and consultation and negotiation.

Up until this time all the work and efforts associated with this major organisational change initiative had been referred to as the Corporate Services Review. Following some deliberations by the CSR Management Group the decision was made to title the implementation phase of the change process the ‘ECU Service 2000 Project’, or S2K. The CSR itself had been a finite project undertaken by the business consultants Ernst & Young, which provided the University with analysis of the existing services and structures and made significant recommendations. These recommendations were then reviewed by ECU and, by and large, accepted as the template for improving organisational service delivery. The project from this point on was owned and managed by the University, which was responsible for the outcomes now and into the future. Service 2000 reflected ECU’s commitment to the future.

Figure 1: ECU corporate structure May 2000



The final organisational plans are the outcome of a year’s work to strategically restructure the focus of ECU’s operations. Figure 1 shows the University’s corporate services with senior executive management responsibilities. The Pro Vice-Chancellor (Teaching, Learning and Technology) has portfolio

responsibilities for the two front-line centres, the Student Service Centre and Centre for Learning Innovation and Future Technologies (LIFT, the renamed Teaching and Learning Centre). The Executive Director (Finance and Administration) is responsible for the two business support centres, Management Services and Facilities and Services.

The Deputy Vice-Chancellor's portfolio responsibilities include strategic human resources planning (through the Office of Policy and Planning), the enterprise bargaining process and meeting ECU's obligations to staff and unions in the change management process, and overall responsibility to ensure that all aspects of human resource management are equitably and appropriately applied throughout the University.

The resulting operational plan for the University is a major realignment of emphasis from the old-style functional operation to a modern client-centred service delivery operation.

4.5 Front-line centres

4.5.1 Student Service Centre (SSC)

The SSC is the flagship of ECU's corporate services orientation in which students are seen as the primary customers by all staff and the University. The underlying concept in the creation of the SSC is to provide in one location a convenient 'one stop shop' of face-to-face student services. These services, including such core processes as enrolment procedures, changes to enrolment, timetabling and student cards and parking permits, had been delivered at numerous locations throughout ECU on its five campuses.

In the new structure the responsibility for delivery of all student services other than teaching and learning is centralised in the SSC and this centre will be represented at each campus by a single service hub. The carefully planned introduction of a central Call Centre, an enhanced IT Help Desk function and the integration of student services, library and information technology ensures that over-the-counter, telephone and on-line services are responsive to student needs.

Improved service through the SSC relies on effective communication with the faculties as well as cost effective development of infrastructure technologies, and shared information databases providing SSC staff seamless access to the information they require as well as permitting single point data entry. Technology development is seen as the most essential prerequisite in the implementation of the Student Services Centre. There will be a guaranteed,

reliable data link between the front and back-room operations. The concept of better service to students will be compromised if the service centre staff cannot access the information they need to provide effective delivery of a complete advice service to students.

The SSC's mission is to provide students and academic co-providers with the necessary information, support and service to enable and enrich their learning, teaching and research. The SSC's core business is in information services; learning facilities, resources and services; infrastructure, and support and access.

- Information services comprise any service that focuses on the identification of information required by customers and facilitates access to it. This includes support for student course selection, enrolment, advice and academic progress, library research, information technology access
- Learning facilities, resources and services promote an environment conducive to learning. This includes online course material, information collections and resources buildings, equipment, and related services for students, such as academic skills advising
- Infrastructure includes appropriate technology infrastructure for the whole University; technology support for students, staff and for the academic program; information storage, access and security
- Support and access comprises services, support and information resources being made available to students and staff on-campus, off-campus and overseas 24 hours a day, every day of the year (the 24/7 concept)

The students and faculty staff co-providers of service are the primary customers of the SSC. These groups of customers are identified as having common requirements:

- Students including students on-campus, off-campus, and students enrolled overseas. Services encompass a range from enrolment to receipt of course results, including information services, information technology infrastructure and access
- Faculty staff services include a range from accurate course advice and enrolment of students, to information services and infrastructure that support learning, teaching and research
- Staff in all operational areas of the University in relation to information technology and telecommunications infrastructure and shared services.

In addition, the SSC has a number of key stakeholders with whom it must partner to achieve its service objectives. They include:

- Faculties and the other service centres, particularly in the delivery of shared services for information technology and telecommunications support

- The LIFT Centre, particularly in relation to the provision of academic skills support and technology support for student learning and for teaching programs
- The MSC, particularly in relation to support for students in enrolment, examinations and course results, and in the provision of accurate and timely corporate information through an effective technology infrastructure

4.5.2 Centre for Learning Innovation and Future Technologies (LIFT)

In the same way as the Student Service Centre is the focal point for students, the new LIFT Centre is a key resource, support centre and a leader for innovation, development and change for staff. The vision of the University is to be a progressive university of higher learning, able to service on-campus, external and international students via flexible learning opportunities supported by the latest educational technologies. LIFT is the resource for achieving the University's aims in encouraging and rewarding scholarship, and developing a learning and teaching environment which reflects its commitment to service, professionalism and enterprise. In addition to the development of course materials for on and off-campus students, the centre is also responsible for piloting outreach and enabling courses for students and for supporting and monitoring the academic course approval process.

LIFT is also the University's resource for ensuring that general staff throughout the University have the skills and professional development experiences they need to succeed and to advance their careers in a newly reorganised, customer-focused work environment. In addition to providing professional development for all staff, LIFT will generate model best-practice learning environments and resources. In all these endeavours, the centre will work in partnership with the faculties, other educational organisations and private industry.

Direct, day-to-day support for course materials development, academic program support and staff development will be provided by LIFT personnel housed with the faculties. Major projects will be undertaken by central LIFT staff. LIFT will function as the 'test bed' for developing and testing innovative educational programs, products and services. LIFT will also provide centralised teaching and learning quality assurance.

LIFT's mission is to:

- Serve all staff of ECU by providing high quality products and services in the area of professional development; to advance ECU's strategic performance by providing products and services which increase the

understanding and use of contemporary approaches and leading-edge technologies to enhance the learning experiences of ECU students

The core business of LIFT is to:

- Identify professional development training needs of all University staff and provide professional development products and services based on those needs
- Provide services and products which support staff in designing, developing and evaluating strategic and cost-effective student-centred flexible learning materials and environments
- Develop and maintain quality assurance in the areas of course approvals, academic and general staff training, LIFT Centre activities and, in conjunction with the faculties, faculty teaching and learning activities
- Provide leadership in University policy and planning with respect to teaching and learning issues and enhance the quality of teaching and learning within the University
- Explore, develop and evaluate innovative alternatives for accessing university education
- Realise the commercial potential of products and services initially provided for LIFT's primary clients (staff), and provide other products and services for external clients in circumstances where service obligations to internal clients can still be met.

4.6 Business support centres

4.6.1 Management Services Centre (MSC)

Ernst & Young had proposed two new centres, one providing integrated management services (ie. back-room administration) and the other being a facilities and services group including a shared processing centre. However, staff workshops and feedback during the consultation period led to changing the internal configuration of activities contained in each of these areas. In particular, the shared processing centre is located in the MSC to operate with human resources, finance and student administration management, and the Bibliographical Services Unit is located in operation with other Library services.

The consultation period described above identified this 'missing link' in the E&Y plans. The consultants' review did not address the crucial area of data entry for human resources and finance (the Shared Processing Centre). Staff consultation showed that integration of HR and finance processes could not be

forced in these areas because of the need to rebuild and re-engineer these fundamental systems in parallel. Projects on line for the MSC are aimed at advancing further integration in shared processing within ECU, at the same time as discussions are underway on earlier proposals to develop shared services with other WA universities (eg. payroll and printing).

Consistent with the guiding principles of the review of corporate services, the final MSC structure breaks down the barriers between the old silos, or compartmentalised functional areas, and significantly enhances customer focus, consolidates the fragmented customer interfaces and increases the efficiency of core management processes.

Much energy was focused on the complete redesign of the old human resources section, with the final model of this significant centre designed to operate along contemporary HR lines. Features of this work involved splitting out strategic human resources planning into the Office of Policy and Planning, and the innovation of three new teams in the MSC: account managers, an industrial environment team, and career team. ECU's planning in this area is at the forefront of policy and operational design in the university sector, and this is reflected in the emerging benchmarking data in Australia.

The MSC's mission is to assist the University by providing excellent service in:

- Developing coordinated operational plans, policies and procedures for human resource management, finance and business services, and student administration, consistent with the University's strategic direction and in close liaison with other centres
- Advising management and staff in relation to human resources, finance and business services
- Providing financial and management accounting services to the University
- Liaising closely with faculties, centres and divisions, in a pro-active managed manner, via the role of Account Manager, to ensure a coordinated and seamless delivery of services
- Providing more efficient and effective transactional processing and operational activities via a shared processing and operations centre.

The MSC's core business is to:

- Develop coordinated strategic and operational plans for the management of human resources (in liaison with Policy and Planning), finance and business services and student administration
- Develop operational policies, standards and procedures for the University as a whole for human resources, finance and business services and student administration

- Provide advice and assistance to management and staff in relation to human resources, finance and student administration
- Act as a centre of expertise in the fields of occupational health and safety, employee relations and organisational development
- Undertake the financial and management accounting functions of the University
- Coordinate the University's strategic procurement function
- Undertake processing activities through the shared processing function

4.6.2 Facilities and Services Centre (FSC)

The mission of the FSC is to provide a comprehensive and professional facilities management service that contributes to the success of ECU, by:

- Ensuring services are provided which meet the needs of FSC customers and stakeholders in a supporting role that enables them to focus on their core activities
- Working together as a skilled and motivated team to provide responsive, customer-focused services

The FSC is a key partner in the University community. The services of the Facilities and Services Centre will:

- Be based on contemporary practice in facilities management
- Be supported by integrated systems and technology
- Undergo continuous improvement at all levels
- Contribute to positioning ECU to meet the challenges of the future

Major work was undertaken during 1999 in Facilities and Services in response to the E&Y recommendation to evaluate outsourcing options in a number of specific areas (cleaning, grounds, parking, security, photocopying, and maintenance). The options were supported by data which, in summary, provided savings of 10 per cent over the package of business cases, before payment of any redundancy, or transition, costs.

The E&Y projected savings over three years were worth consideration, and the proposals underwent a rigorous process of review (see Section 5), with every person affected having the opportunity to contribute. A key principle of the review was an 'apples with apples' comparative exercise, involving both quality of service as well as cost. This consultation saw a series of new recommendations put forward in September 1999 upon which the Vice-Chancellor's final decisions were based. These include some innovative alternative solutions to the outsourcing option.

For example, the grounds service is retained in-house with an agreed package of cost-saving initiatives, after the consultative process confirmed that this area was seen to be performing well. The agreed package includes a reduction by one FTE, changes to equipment acquisition strategies, and savings achieved with less redundancy costs than a fully outsourced option. In contrast, the cleaning service is to be market tested using a phased approach, ie. if tenders for the Churchlands and Claremont campuses confirm the business case and a contract is let, then a 12-month performance assessment will provide the basis for a decision on Mt Lawley and Joondalup campuses. The decision on the photocopying function was deferred to allow for integration into ECU's information technology planning process.

The parking infringement process is retained in-house, with savings achieved through centralising management for the four metropolitan campuses, a reduction of one FTE, use of new technology and an increase in the cost of infringements. The E&Y case had assumed that a local council would be willing to perform this function, but little interest was seen from that sector. A revised strategy for the maintenance service achieves savings through an enhanced focus on preventative maintenance, which sees the rationalisation of the campus maintenance teams and their concentration on urgent/break-down work, and preventative maintenance being undertaken by contract.

The security function is retained in-house with revised shift arrangements to achieve cost savings. The consultation process revealed high levels of service, and University-wide support for retention. The E&Y case for security had assumed that a reduced service level was acceptable to ECU, and the estimated savings had been based on past quotations. The result for security is that the savings targets were achieved with less redundancies than the fully outsourced option, therefore saving transition costs of \$0.5 million.

These outcomes show the change process alternatives, arrived at when staff have the opportunity to come up with a different approach. In these cases staff and management worked together, looking at the practical difficulties of rearranging how jobs were done and avoiding redundancy costs.

The Campus Services branch of Facilities and Services Centre was most closely affected by the restructure of ECU's corporate services, through its close association with the creation of the Student Service Centre. A joint working group of representatives from both centres reached agreement on which services should be transferred from Campus Services. In each case these were the 'across the counter' services that are logically provided at the one-stop-shops in the SSC, including security information, lost property, parking information and permits, ECU switchboard, vehicle bookings, cashier services, photocopying access, and facilities requests (eg. maintenance and cleaning requests) and facilities bookings.

5. Change management

Within the Western Australian tertiary sector, ECU has had a unique history of industrial issues over the past ten years. The transition from WACAE to university status created tensions and consequences, which are overlaid by a particularly complex set of industrial awards and agreements. The certified agreements reached through enterprise bargaining, relating to both academic and general staff, prevail over many awards that in some cases date back to the early 1980s. In addition, the *Workplace Relations Act 1996* underpins the agreements and awards to which ECU is committed.

The ECU Strategic Plan outlined objectives for a five-year period, involving significant change in the University's fundamental policy directions and processes. A major part of the Strategic Plan details the commitment to a structured change management process, aimed at ensuring ECU's future directions. The major vehicles of staff and union consultation are the Change Management Consultative Committee (CMCC), the Academic Staff Joint Consultative Committee (ASJCC), and the General Staff Joint Consultative Committee (GSJCC). These committees were already operating as effective structures for consulting with unions when the CSR began, and will continue to provide a vehicle for open communications and expression of views. The joint consultative committees enabled direct communication and consultation with staff and union representatives in the service centre working groups (see below), meeting ECU's obligations under the enterprise agreement requirements.

As part of the change readiness assessment reported by E&Y in December 1998, several risk factors were identified for action. The first was the critical requirement for an expanded change management strategy, so that the people involved in the change process were informed, trained, committed and effectively managed. Most importantly, the potential cultural barrier to major change identified at ECU would need to be addressed with strong communication mechanisms to avoid confusion and resistance; by promoting and embedding the concept of an internal client and a service orientation; with education and development to create an organisation well equipped to adapt to current and future changes. Further keys to success included leadership effectiveness, so that change initiatives gained momentum and became sustainable; and a performance management system which supported the new environment and new roles for staff.

During the E&Y review process itself, staff in each of the divisions were surveyed to identify ECU's strengths and weaknesses in terms of its ability to

manage change. The results clearly showed staff understood that there was a strong case for change and that the University had to restructure, and they believed that ECU management was committed to implementing that change. Not unexpectedly, results also showed that staff had a level of reservation about the way the change process would be handled. The need to change, and management's commitment to change, were the strengths around which a successful restructure program was built.

5.1 Implementation principles and structure

The following principles, based on the key themes of ECU's Strategic Plan and referred to previously in Section 2, guided the University and the CSR Reference Group in critiquing the E&Y proposals; then underpinned the process of consultation while adapting and improving on the recommendations, and throughout informed the design and implementation of the new structure.

- **Service culture**
Align the University's service strategies, leadership style, staff skills, structures and systems with the delivery of service
- **Client focus**
Reorganise the University's corporate services structure to reflect an orientation towards customers rather than a traditional functional focus
- **Efficient and effective processes**
Optimise the use of structures, systems and processes to deliver quality service and maximise resources available for the core business areas of teaching and research
- **Clear accountability**
Ensure that service roles and responsibilities are clearly defined, agreed with clients and continuously monitored and improved
- **Cohesive planning**
Introduce and develop cohesive planning and integration of the major functional activities within the University consistent with corporate strategic priorities
- **Change management**
Adopt change management procedures that utilise best practice processes, effective consultation, respect the rights of employees and operate in accordance with current awards and agreements

5.2 Interim management

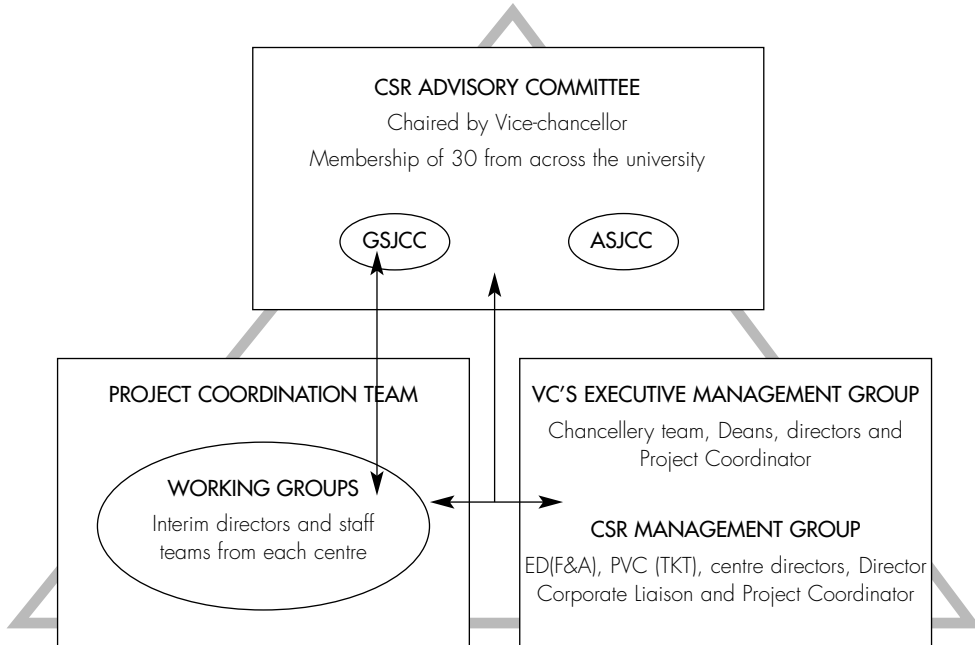
In April 1999 the University Chancellery Group implemented a triangular structure to support the implementation of the CSR recommendations (see Figure 2):

An advisory and consultative structure with the CSR Advisory Committee and existing union consultative committees working together to maximise staff and union involvement. The Vice-Chancellor chaired the CSR Advisory Committee (later the S2K Advisory Committee), a 30-member advisory body with members of the senior executive, the Interim Directors appointed to the centres plus the Director of Policy and Planning; eight staff representatives from each of the existing divisions; six student representatives; and staff from each faculty

A management structure incorporating the Vice-Chancellor's Executive Management Group (VC EMG, the senior executive team plus deans and directors) with a new CSR Management Group and the project coordination team

A design structure comprising the project coordination team and the CSR working groups of Interim Centre Directors with their individual design teams. Staff on the working groups liaised extensively with union representatives at the fortnightly GSJCC meetings.

Figure 2: CSR implementation and consultation structure



In April 1999 following the Vice-Chancellor's acceptance of the CSR Reference Group's recommendations, the University community was informed that implementation would commence immediately. Staff were advised that:

- A Project Coordinator would be appointed to oversee the process, and would be supported by an office and team, and the Director of Corporate Liaison. Management of the timetable for the changes and key milestones would be a central task for the Project Coordinator
- The Executive Director (Finance and Administration) would take the lead role in ensuring the successful establishment of the new Management Services Centre, and in addition commence the process of reviewing the E&Y business cases
- The Pro Vice-Chancellor (Teaching, Learning and Technology) would be responsible for the successful design and establishment of the Student Service Centre and LIFT, and oversee planning to provide the key technology inputs critical to the success of the entire project

- The Deputy Vice-Chancellor would work with PVC (TLT) and the Project Coordinator to ensure that all aspects of human resource management were equitably and appropriately applied across the University, and continue to ensure that ECU met its obligations to staff and the unions in terms of change management consultation
- Three Interim Centre Directors would be appointed as soon as possible and the preparation of job descriptions for external advertisements for three new directors would commence immediately
- Regular bulletins about progress on implementation would be distributed in print and electronically to all parts of the University

Good mechanisms for receiving advice from and consulting with staff were essential to the success of this major enterprise, and ECU already had well-established structures for consulting with unions. The Terms of Reference of the CSR Advisory Committee were to advise the Vice-Chancellor on progress and any action that she may need to take with respect to the implementation of the CSR outcomes. As can be seen in Figure 2, this committee was supported by the Project Coordination Team, and also received advice from other groups including the formal consultative committees, and in turn provided reports to the GSJCC and ASJCC.

Opportunities were made for extensive consultation with the faculties through targeted input to the service centre working groups, and the presentation of reports and papers to the VC EMG and the Vice-Chancellor's Management Advisory Group (VC MAG), a long-standing, expanded University committee including heads of school and senior faculty members, from both academic and general staff. The Project Coordination Team provided overall support to the project with individual members being assigned to work with and support the three service centre project teams.

In May 1999 three Interim Directors were appointed to the SSC, LIFT and MSC, and immediately began working with the Project Coordination Team. First steps were:

- Construct and publicise a project timeline incorporating realistic staged schedules for all service centres
- Collate and publicise a detailed University corporate services structure that clearly indicated where positions were to be located in the new centres
- Plan and conduct a 'change leadership' training package aimed at key implementation staff
- As part of establishing a new service culture, develop performance management arrangements ready for the start of the new centres

An external advertising exercise was developed for the recruitment of directors to the new service centres, planning to have appointments finalised

by the end of 1999. Over the intervening months the Interim Directors developed the complex operational and policy details that became the framework of the new service centres, each of which required:

- Detailed proposals for structures showing all required positions (transfers from existing positions as well as new establishments), with appropriate salary levels identified
- An implementation plan and schedule with sequenced procedures outlining centre service strategies
- An outline of budget, technology, space and building requirements, and their implications
- A training needs analysis, both immediate and ongoing

During this time the business cases proposed in the E&Y report were reviewed. Communications with affected staff and the unions during this phase stressed that the business cases were not recommendations to outsource—they were recommendations to market test certain services, and if after consultation and review a decision was made to market test a service (as in the cleaning service), it was expected that the process would take four months and include the following steps:

- Specification preparation (6–8 weeks)
- Call for public Expressions of Interest (2 weeks)
- Shortlist of Expressions of Interest (2 weeks)
- Full tender submissions sought from shortlisted organisations (4 weeks)
- Assessment of tenders and comparison to in-house operations (4 weeks)

Progress on the business case reviews was reported weekly to the S2K Management Group, and the eventual outcomes were very positively received by the University community (see Section 4.6).

5.2.1 Towards a new staffing profile

During this centre design phase of 1999 the Interim Directors were very conscious of the potential overlap of service delivery between centres and faculties. The need for an integrated staffing profile became particularly apparent in the SSC, after faculty IT staff were transferred into the centre, and which required the negotiation of IT service agreements and other delivery mechanisms with the faculties, and other centres. The design of the MSC involved liaison with faculty managers, deans and directors of other centres surrounding the account manager positions, and their roles in HR and finance service provision. The account managers were designed to be crucial links in the service chain.

It was soon apparent that designing positions within teams and centres, and determining classifications and remuneration for each one, was a central activity needing widespread involvement. A team of human resources staff took on the task of producing a workforce profile and completely overhauling ECU's position design and classification structures. Over 400 jobs were reviewed and redefined, a massive task and one of the pressure points of the entire project, from which emerged new and innovative position descriptions that now form the foundation of ECU's strategic workforce planning. The HR processes required included:

- Workforce planning/profiling
- Job design/classification
- Recruitment (populating the new service centres)
- Performance management
- Learning and development
- Unattached/outplacement (redundancy) management

The Interim Directors initiated their first draft plans for populating the new centres in June 1999, with the assistance of human resources staff. All job sizing throughout the S2K implementation phase was undertaken by a special committee chaired by the DVC, which included executive faculty, facilities and administration representatives. Benchmarking and the use of Hay software assisted in the classification process, while the introduction of new behavioural competencies addressed anomalies in the old forms of design and classification. For example, the new PDs recognised multi-skilling and multi-tasking, particularly in lower level positions, and as a result many HEW Level 3 positions were reclassified as Level 3/4. Overall, however, there was a reduction in split classifications.

The exercise reformed the job design process by removing prescriptive duty descriptions, replacing these with generic skills and criteria. A feature of the redesign was the changes in role and responsibility which affected many positions, which led to changes in the position descriptions to reflect the new work environment, most specifically customer focus, and including planning and project management, quality management approaches and relationship management. For example, the traditional description of Clerk Typist was discarded and the new designations of Administrative Assistant, Administrative Officer and Senior Administrative Officer were uniformly applied. The design and classification exercise was also an excellent opportunity to address a long-standing issue at ECU regarding academic vs. general staff classifications, and here too the team made use of benchmarking against national standards to address modifications to entitlements or conditions. This issue had particular implications for instructional designers in the LIFT centre.

A fundamental improvement for the definition of positions was the replacement of ‘Duties or Activity’ statements with the outcomes-focused section defining a position’s accountabilities. Every position description had new generic competencies underpinned by a performance management process, in alignment with ECU’s key defining themes of service, professionalism and enterprise:

Strategic theme	Associated competencies
<i>Service</i>	Customer focus
<i>Professionalism</i>	Leadership Team orientation
<i>Enterprise</i>	Improvement orientation

These competencies included leadership, team orientation, customer focus and improvement orientation. Only by writing new position descriptions for every position in the new centres would ECU enable cultural change.

5.2.2 Staffing protocols

Several iterations of the document ‘Decision Milestones and Staffing Protocols for the ECU Service 2000 Project’ went through negotiation with unions during this time, before agreement was reached through the GSJCC on staffing the new structures. The protocols document was drafted as a guide to staff on how ECU would be handling the changed staffing arrangements that came about with the creation of the three new service centres, and each version was made widely available as it was produced.

As intensive negotiations and consultation continued, the protocols were expanded or clarified, and the principles embedded within them became the foundation of managing the industrial relations process during this critical point of the University’s restructure. The Protocols document was a framework determining the boundaries of the process itself, and included key approval milestones and organisational design principles, consultation commitments, and service centre population guidelines.

At the fundamental level the Protocols document described the ‘populating’ process for the new centres, affecting approximately 400 staff, which would be either:

- Direct appointment to a similar position
- Appointment by expression of interest
- Appointment by internal recruitment
- Transfer from the transition/unattached lists
- Appointment by external recruitment

The 10 steps of the processes and protocols laid out in the document were under the following headings:

Approval of new service centres/organisation plans

Step 1

Interim Directors will prepare a centre organisation plan for submission to the ECU Service 2000 (S2K) Management Group that will include:

- Macro organisation structure chart and justification
- Summary of mission, products/services, customer groups and strategic programs
- Implications for faculties and other organisation units
- Provisional classifications and FTE of staffing plans, including benchmark data where possible
- Estimated operating budget
- Transition planning and identification of possible protracted planning in specific areas

Step 2

Interim Directors will present their plans to the S2K Management Group for endorsement to ensure alignment with project objectives and other centre plans

Step 3

Interim Directors to obtain approval for their centre's plans from the Vice-Chancellor (provisional position classifications subject to final ratification in Step 5)

Step 4

Interim Directors will in consultation with the S2K Management Group present their approved plans to stakeholders, including staff and unions, to enable discussion

Position specification and approach to populating the new service centres

Step 5

Interim Directors in conjunction with the Project Director will take all necessary steps to finalise the organisation structure, definition of all position descriptions, and approval of position classifications

Protocols in this step related to job sizing determinations, the introduction of the new generic position competencies and performance management, clarity of accountabilities, and equal opportunity principles

Step 6

Interim directors will then assess each position and recommend to the DVC how the position will be filled. DVC's approval to be based on the extent of change to duties affecting the position. DVC to be responsible for resolving any contentious cases

- Protocols in Step 6 related to the criteria for appropriate methods of recruitment (eg. all senior positions of HEW Level 7 or higher were internally advertised, requiring a full application and interview, rather than through expression of interest or direct transfer), the criteria for judging the extent of change in duties, and the eligibility of fixed-term contract employees to be directly appointed to a like position in the new structure.

Step 7

Interim Directors in conjunction with Project Coordinator will arrange appropriate recruitment activities and establish assessment panels. Appointments to the new organisation structures will generally occur from the top layers down, enabling newly appointed managers or team leaders to manage appointments in their respective structures

- Protocols in this step related to the University's equity objectives, the availability of support services to staff (in particular in the preparation of expressions of interest, addressing selection criteria, interviewing techniques, career planning and counselling), staff eligibility to apply at any classification level, and 'cascading' of applications.

Recommendations and appointments of staff

Step 8

Interim Directors or Directors of the service centres approve all recommendations for appointment from assessment panels

- Protocols in Step 8 related to staff development and ability to adapt to new jobs, orientation and learning programs, employment conditions and entitlements, entitlements of general and academic staff appointed from the transition list/unattached list to a new position, campus relocation issues, and assessment panel feedback

Step 9

Interim Directors or their delegate in conjunction with human resources staff, will address and where possible resolve all issues arising from the recruitment processes in the first instance

- The protocol in Step 9 referred to the S2K Independent Review Committee and its terms of reference

Management of employees not appointed to a position

Step 10

Interim Directors in conjunction with human resources staff will effectively manage those employees who are not initially appointed to a position in the new organisation structures

- Protocols in Step 10 related to the University's obligations to identify suitable alternative vacant positions for staff not recruited to the new structure, the operation of the transition list, procedures regarding unattached status and relevant redundancy provisions, and in the case of general staff, the 'substituted redundancy' arrangements.

The Protocols document stated that the policies within it were subject to improvement and modification, and that it was expected to be part of an iterative process. For example, as part of Step 9, Version 4 of the document (October 1999) included the terms of reference for the ECU Service 2000 Independent Review Committee, set up to assist employees in seeking resolution should a recruitment issue remain unresolved (in fact only indirect inquiries were made by staff throughout the entire populating process, and no staff member sought an outcome through the S2K Review Committee).

A further example is the expansion and clarification of processes surrounding the policy of 'cascading', where staff who applied unsuccessfully for a higher level position may have their application automatically referred to a relevant assessment panel considering other positions, applying only to positions down to their current level. This important protocol amendment was negotiated with unions after December 1999, and was included in Version 6, February 2000.

5.3 Transition to new centres

In November agreement on staffing the new structures had been reached through the GSJCC, and populating of the new centres could begin, aiming to be operational from 1 December 1999. This was a watershed moment for the

University. The Vice-Chancellor approved the establishment of the three new service centres (MSC, SSC and LIFT), in accordance with a number of recommendations for each centre including the organisation structures and workforce profiles, financial budget, space planning, and outstanding matters requiring further attention. Each of the service centres had a number of outstanding issues being addressed at the time of approval, with working parties preparing recommendations and reports. The aim was for these issues to be resolved before the appointment of staff in new positions.

The move to populating the centres further raised the intensity of activity due to the size of the recruitment operation and its timeframes, involving almost 400 staff, over 40 assessment panels, and concurrent external recruitment and appointment of service centre directors. The transition period until the new service centres were fully (or mostly) operational was expected to last three months until March 2000, with a later start-up date for some areas if all arrangements were not fully in place.

After a competitive external recruitment process the University announced that the Interim Director of the Management Services Centre, Mr Leigh Garrett, had been appointed as Director. The positions of director in both SSC and LIFT were at the decision stage, which caused a delay in the appointment of senior managers in those two centres until after the director appointments were confirmed (in early 2000).

In late December the centre recruitment process began with direct appointments into the new centres being made, and the release of the first round of internal advertising of positions. A short-term steering group was established by the DVC, to oversee and facilitate the numerous and simultaneous HR activities surrounding this process. The primary task of the steering group was to identify, define and ensure delivery of all the HR services needed to manage the transition of staff to the new centres. Position details were released with a mid-January 2000 deadline for applications, and all staff were sent letters giving them official notification that the recruitment process was underway. This was followed up by letters to each individual staff member with more specific notification of their particular employment situation.

Approximately 190 staff were recruited to the new service centres by direct appointment, including significant numbers moving from fixed term to ongoing positions, who then became part of the parallel operations. After significant investment in training the large numbers of staff sitting on assessment panels, these swung into action commencing with selection of relatively senior positions, during January and February. During this time external advertisements for some management positions were placed and procedures integrated with the internal activity. Approximately 160 positions

were advertised internally. Taking into account the Christmas shut-down of the University it was decided to announce an extended deadline for applications, delaying the selection process slightly. Over 350 applications were received from staff across the University, and in many cases staff took advantage of the opportunity to apply for multiple positions. Staff offered new positions after the application process were advised they would take up their new positions after 1 March 2000.

The assessment panels performed a crucial role in the recruitment process. The wide scope of their task, combined with the timeframe urgency, meant that some panels were in session on a daily basis, and shortlisting or interviewing large numbers of applicants a day. Accountability and ethical issues were central to the University-wide panel training sessions, and a feature of the process was the full coverage of documented decision making at every step. Selection reports were uniformly required, something not previously undertaken in such depth at ECU. Not only were direct appointments justified and documented, but also decisions made on the basis of expressions of interest, the shortlisting process itself for internal applicants, and after interviews the panel ranking and selection processes. The following principles were adopted for the selection process:

- Minimum of three people on each panel
- Panel selection sequence based on cascade of jobs from manager positions down
- Selection of team members to involve the relevant senior manager
- Positions of HEW 10 and above to include at least one external expert as panel member
- Customer representative on all appropriate panels
- For positions that impact on other centres, these internal partner service providers should be represented on each panel
- Where panels are reviewing a large number of grouped positions or where positions have attracted a large number of applicants, the selection risk should be spread across either larger panels or more than one selection panel
- Gender representation on panels must follow existing equity policy
- Positions of account manager will have selection panels with at least two members representing relevant customer groups

As a result of the willingness of so many higher level staff, including academics, to act on assessment panels, and the effectiveness of the panel training program, applicant ranking procedures were uniform throughout all assessment panels, and based on the new selection criteria written into every position description. These competencies were aligned with ECU's strategic

themes of service, professionalism and enterprise, and provided a clear indication of the performance expectations required in a service-oriented culture.

5.4 Parallel running

Until the new service centres were able to 'go live' the corporate services of the University were in a period of transition and running parallel operations. The old divisional functions had to be maintained as the new service centres geared up for full operation, and staff continued working in their current establishment positions until they were appointed to a position in a new centre. From December 1999 it was planned that most areas would be fully staffed and operational by the beginning of March 2000. This was pushed out to May, as will be seen.

Staff who transferred to the new centres by direct appointment were in positions that had not changed substantially between the old and new structures, and were transferred immediately. Staff offered new positions after the first round of applications were expected to take up their positions from the 'go live' date. As a consequence, management reporting lines remained with the Interim Directors until the new directors took up their positions. The exception was human resources, which although part of the Management Services Centre, continued reporting to the Deputy Vice-Chancellor until the starting date.

The appointment of directors to the Student Service Centre and LIFT was delayed until January 2000. Tight timeframes and other logistics made this delay regrettable but unavoidable. As a consequence of this pressure, it was decided that the appointment of senior managers in those two centres would occur after the director appointments were confirmed.

Management of the parallel running phase of the project moved apace, with the S2K Advisory Committee continuing to meet monthly in its feedback and oversight role, and the S2K Management Group meeting weekly. The GSJCC continued as a high-level vehicle for consultation and negotiation.

As the University entered the parallel running phase the general staff unions called a meeting to express concern about the pace of change, and ECU Council received a letter of complaint at its last meeting for the year. Management of these issues was not helped by the pending Christmas close-down, although by the first Council meeting of 2000 a management response was able to be presented, with input from the Project Coordination team, Interim Directors and senior staff. This was the result of an intensive round of meetings with unions early in January in efforts to identify and agree upon any improvements that could be made to the process. With the support of the unions the Protocols document was amended to allow for the applications for

some unsuccessful candidates to be moved directly to panels considering other positions for which they may be suitable.

During this time, and not surprisingly, the general staff enterprise bargaining process was affected by ongoing developments in the implementation and transition to the new structure. In December 1999 the unions asked the University to consider the option of a short-term agreement that basically rolled over existing conditions in return for a pay increase. The unions argued, and the University agreed on this point, that this would avoid the need for intensive discussions at a time when many general staff were affected by the major change program. In February 2000 the University's bargaining team made a revised pay rise offer to the general staff unions for the first year of operations of the new service centre structure, as part of a short-term agreement.

As an example of the primacy of S2K on ECU's entire operations, the University's offer included expansion of the span of hours in the new Student Service Centre and Facilities and Services Centre. Discussions were centred around the fact that ECU must have the flexibility to be able to provide services to students that they require, and at the times that they require them. Given that more than half ECU's students are on campus on or after 6pm, students have called for the University to provide services past that time. At the time of writing enterprise bargaining at ECU is still ongoing, as a short-term agreement did not eventuate.

In the lead up to the 'go live' or start-up date, it became clear that in some operational areas there would still be vacancies at that time, and therefore it would not be possible to move to full service delivery until a full complement of staff was in place. By this stage it was recognised the start-up date would need to be pushed back to 1 May 2000. Before the centres assumed full responsibility for their respective operations and service deliver, each director ensured that:

- The senior management structures were substantially in place
- Business operations could be assumed by the new centres without major risk to current service delivery
- A substantial number of staffing appointments had been finalised
- Positions critical to the successful operations had been filled, addressed or contingent arrangements put in place
- Space planning and accommodation issues had been finalised or planned for

Each of the service centres was in a position to 'go live' and assume business operations from May 2000, with the exception of some operational areas subject to finalisation, or where a phased introduction has been approved due

to business continuity needs and space planning logistics. Areas due for phased introduction have a later commencement date to ensure the new operation can accept full responsibility without risk to current service levels. Disestablishment of the old functional areas in the corporate services divisions has been synchronised with the start-up of the respective service centre areas.

During the phase of populating the new service centres the S2K Project Coordination office has been identifying and managing those employees who did not apply for or secure an appointment within the new structure. These staff were placed on the Transition List. Numbers on the list varied over time as staff were deployed within the organisation to alternative positions, as on an individual case management basis the University attempted to identify deployment opportunities, provide a planned program of 'job search', and monitor job vacancies for the brokering of placements.

Staff on the Transition List were managed in accordance with the general and academic staff certified agreements, and other relevant legislation. Under the terms of the respective agreements, the University is obliged to declare positions as redundant, manage the changes and identify and advise employees who are 'surplus to requirements'. The timing of such decisions is critical and for most areas occurred at the milestone when the old divisions were disestablished and the new service centres officially commenced operations on 1 May. Employees at that stage on the Transition List formally moved to 'Unattached' status and once again the appropriate staff agreement applied.

To support staff in this situation the University provided a range of career support and outplacement support services, including one-to-one counselling, 'Coping with Change' workshops, financial and superannuation advice, and job search workshops. Staff support mechanisms are now seen as embedded in the human resources management policies throughout ECU. Performance management systems that recognise and reward staff have been introduced, with general staff in particular benefiting from the reforms to the position descriptions and performance criteria, on which performance management is structured. Staff flexibility and retraining which emerges as a result will support the new processes and new technologies, and lead to improved productivity.

6. Conclusions and hindsight

When Edith Cowan University was formed out of the campuses of the Western Australian College of Advanced Education, it inherited not just a legacy of almost a century of fine teaching and learning. The previous waves of amalgamation had created replicated administrative systems on the campuses, which were superimposed onto the governing principles and practices of the University when it was created in 1991. In the 1990s some restructuring had occurred, but investment in rebuilding and increasing efficiencies has been hampered over time by shrinking government funds, particularly a lack of funding for growth.

ECU Service 2000 was initiated with the goal of securing and improving the University's position as a progressive, professionally-oriented, relevant university in a highly competitive tertiary education market. The senior executive had sent the clear message that there were concerns about service standards, and that a significant short-term investment must be made to address this. The task of undertaking reform on such a large scale and refocusing ECU on its core mission as provider of high quality and desirable educational services, was never going to be easy and was never going to be quick.

The process tested the patience of all involved, but without doubt there was no alternative. By the very nature of the wide range of consultative mechanisms in place, the process of consultation and negotiation was time consuming, but necessary. Staff responded to the need for change, and as a result ECU has designed new operations to deliver improved services at reduced costs, with more savings anticipated in future. A number of these business outcomes were the result of management and staff working together to achieve the desired outcomes in their respective areas.

The strength of the process was its consultative nature, but there was criticism that this does extend the process. Looking back it is possible to see pressure points where a fixed time limit on consultation could have been made clear from the outset, after which decisions could be finalised quickly before moving on to the next stage of the project. It is a reflection of ECU's commitment to consult widely with staff that not one of the 400 affected employees chose to appeal a recruitment decision through the independent review panel set up for that purpose. The outcomes in the Facilities and Services Centre areas of review, especially in security and grounds, have been welcomed, and it is significant that staff in these areas contributed so much to the solutions.

Resignations did occur in some key areas of the organisation during this time, with all three new centres affected. Within LIFT the attrition was focused on instructional designers, and ECU is examining ways of accepting the inevitable loss of core staff through 'poaching' or simply as a function of development, where they move on. An innovative approach may be to respond not solely in terms of remuneration, but to emphasise the employment conditions and opportunities at ECU, and our known reputation in this field, and focus on 'growing our own' and supplying the market. Similarly in the SSC with some core IT specialists taking up positions elsewhere, the response has been to identify and implement IT training needs, encourage participation, and help staff become more marketable both internally and externally.

In the MSC some resignations were received in the key areas of budgets, taxation, commercial services and employee relations, and cost overruns are likely in this area due to the use of consultants working to ensure customers were kept informed and essential work processes not compromised, particularly in the finance area. The response to advertisements for these senior positions was very encouraging and ECU has recruited some excellent new talent.

Another important point in hindsight is an estimate of the cost of the huge amount of executive involvement as the process has extended over time and required significant line management by senior executives. Project coordination was managed by internal recruitment to the team, after external advertisement failed to turn up a suitable candidate in the first instance. In view of the undesirability of delays in the planning stage, the decision was made not to go to a second level of external recruitment, but to fill internally and push straight ahead. As a consequence, the authority and scope of the Project Coordinator's overall role was focused on the human resources dimensions, and project leadership in the finance areas was not as strong.

In keeping with the recommendations of both the Ernst & Young final report, and the CSR Reference Group report, an independent audit of the financial outcomes of the ECU Service 2000 project has been implemented, and the results will be available in early 2001. In addition, the Student Service Centre is putting in place evaluative mechanisms to determine baseline and improvement data to ensure ECU's services to students are meeting the targets.

ECU will continue to build on its strengths and increasingly define itself as a professional university—providing service to and preparation for the professions, especially in the growing services sector, and committed to professionalism in its approach to everything it does. The three defining themes of service, professionalism and enterprise detailed in ECU's Strategic Plan will guide the pursuit of that mission.

All universities in Australia are examining their arrangements during a period when calls have been made for fewer universities, deregulation or a differentiated funding system. However, not all aspects of this competitive environment are negative for ECU and, in fact, the current climate presents us with opportunities. ECU is an asset in the higher education system in WA and nationally, with not only a century of tradition in teaching and learning behind it, but also some significant areas of innovation and reputation, supported by high quality staff. The University's ability to strategically position itself in a competitive market is determined by the way we address these key issues. The ECU Service 2000 Project is one such example.

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Appendix

Proposed organisation structure for ECU corporate services

Ernst & Young (final report December 1998)

