

Challenging the rationale for staff redundancies under the AMBS M2020 project: a general argument and the case of the Organisations & Society Group

Summary

- The AMBS M2020 project includes a target of 40 job cuts through a combination of, first, voluntary severance (VS) and second (if needed), compulsory redundancy (CR).¹ Some parts of the School have been selected for job cuts and staff in those areas have been notified that they are 'in scope' for and subsequently 'at risk' of redundancy. The analysis in this document² shows that a) there is no justification for 40 staff redundancies; b) in at least one targeted area, there is no evidence to support the selection of the specific subject group; and c) there is a significant resulting threat to the ability of remaining staff in that area to deliver teaching obligations.
- Staff in AMBS are naturally concerned about this large, unprecedented reduction in posts. Such concern has been heightened by the failure of management to provide any data about planned student numbers and how this reduces overall demand for teaching and staff across different parts of the School. This is despite requests from the School Board for this data to be disclosed to allow an internal discussion about student numbers and teaching needs.³
- The UCU has provided School members with target student numbers, disclosed to them as part of the consultation process. These projections have been used to analyse the effect of lower projected student numbers on teaching needs, using the School's workload allocation model (WAM), available on the AMBS S Drive. At both a school and unit level, this analysis shows that the aggregate reductions in teaching requirements are much smaller than the planned reduction of 40 posts. The selection of some areas of the School for cuts is also not supported.
- At a School level, the M2020 project includes a reduction of 81 undergraduates (the annual intake would fall from 610 to 529) and 124 postgraduates (from 1,044 to 920). Analysis shows that these lower student numbers would result in a reduction of 4 teaching and scholarship (T&S) or 9 teaching and research (T&R) staff in 2017/18, rising to 7 (T&S) or 15 (T&R) staff in 2019/20 (see Table 1 on p.3).
- The choice of specific groups within AMBS for redundancy is also questionable. Some of those programmes with the largest expected reductions in students (e.g. BSc Management, MSc Management, MBA) are cross-school, taught by colleagues from all divisions in AMBS.⁴ Other programmes with reductions in target numbers are taught by staff in areas not in scope. The logic for selecting some parts of the School is therefore unclear.
- Analysis of one subject group, Organisations and Society (O&S), shows that there is no case for putting this group in scope and at risk. Lower student numbers in AMBS do not create redundant posts in this group. In WAM terms, the O&S subject group is under-resourced *before* the reductions in student numbers begin. Following projected changes to student numbers and ongoing teaching rationalisations resulting from curriculum reviews, it is estimated that the O&S SAG will continue to be under-resourced

¹ This number has been subsequently reduced to 33, to reflect staff resignations outside of the VS scheme and redeployments, though the overall reduction in posts remains at 40 if those staff are not replaced.

² This document has been produced by members of the Organisations and Society subject group in AMBS.

³ For example, a request was made in advance of an extraordinary meeting of the School Board on 28th June (when the President, Nancy Rothwell, also attended) and again during that meeting. No data of any kind was provided at the meeting or subsequently.

⁴ See analysis of programmes on pp.9-11 of this document.

by 3,109 WAM hours and will struggle to meet its teaching obligations in 2017/18 and beyond (see Table 2 on p.8).⁵

- In conclusion, there is a significant risk that teaching obligations will not be met, even if less than 40 posts are cut. As well as unnecessary loss of valuable staff members, this will place an unreasonable burden on remaining staff, many of whom are already over-loaded in terms of the WAM.
- The analysis summarised in this document highlights an urgent need for School management to release its modelling and to have an open and constructive internal discussion about future teaching requirements. Failure to do so, to date, has undermined staff confidence in School and Faculty management.
- In the circumstances, the Board of Governors and the University senior management should not accept general assurances but need to ask focused questions about the numbers behind the case for 40 job cuts. If they do not obtain and scrutinise this evidence, they are ignoring the risk that future teaching requirements cannot be met, or can only be met by eroding working conditions and research productivity for remaining staff.

⁵ See detailed analysis for the Organisations and Society group in this document. A standard full time workload is 1540 hours per year. The standard allowance for research is 616 hours. Assuming no administrative or PGR supervision responsibilities, 3,109 WAM hours is more than 3 FTE teaching and research posts.

TABLE 1 - Modelling changes in student numbers and teachign requirements in AMBS at School Level

I've looked at the impact on the school of closing SING and reducing UG & PGT numbers on the WAM required, and therefore FTE staff required													STAFF		WAM targ % teachin		Teaching load	
The columns on the right (R-U) are the savings. Overall for 1718 the would save the workload of ONLY 4 (T&S) or 9 (T&R) [or between that for a mix]													T&S staff		1540		0.8 1232	
This rises to ONLY 7 and 15 by 1920. Row 43+ is the (modest) EXTRA staff we in IMP would need to cover the recommended UG final year changes													T&R staff		1540		0.4 616	
My point is to challenge that the size of the staff reduction is in anyway commensurate with, or a logical consequence from, the reduction in students.																		
and further, that the abrupt transition means we would expect to be very short of staff to deliver.																		
Closure of SING programme - units closed																		
Units closed		AMBS WAM saved																
SING25000		183.2																
SING25020		184																
SING25050		216																
SING2HRM		180																
SING35000		216																
SING35010		204																
SING35050		204																
SING35050		216																
SING35080		120																
SING35090		240										1718		1819 1920				
Total		763.2 1200										WAM		0 763.20 1963.20				
												T&S staff		0.00 0.62 1.59				
												T&R staff		0.00 1.24 3.19				
Reduction of AMBS UG students - fewer students on existing units																		
		annual		Actual no: Target no: student		Personal coord & assessment		Total unit		TOTALS								
		credits		1617 1718 reduction		pers tut saved multiplier		WAM hrs Variable tutorial		1718 1819 1920		1718		1819 1920				
UG		120 610		529 81		333.5294 0.06		7.2 583.2 60.75		977.48 1954.96 2932.44		WAM		977.48 1788.19 2598.91				
												T&S staff		0.79 1.45 2.11				
												T&R staff		1.59 2.90 4.22				
Reduction of AMBS UG students - fewer students on existing units																		
		annual		Actual no: Target no: student		pers tut coord & assessment		WAM hrs Variable tutorial		TOTALS								
		credits		1617 1718 reduction		saved multiplier lissertations pr student		hrs saved hrs saved		1718		1718		1819 1920				
PG		120 1044		920 124		542.5 0.06 24 31.2		3868.8		4411.30		WAM		4411.30 4411.30 4411.30				
												T&S staff		3.58 3.58 3.58				
												T&R staff		7.16 7.16 7.16				
The 1617 actuals were over target, and staff were overstretched as a result. The reduction in intended load would therefore be smaller.																		
TOTAL SAVINGS																		
												1718		1819 1920				
												WAM		5388.78 6962.69 8973.41				
												T&S staff		4.37 5.65 7.28				
												T&R staff		8.75 11.30 14.57				
Required ADDITIONAL teaching in IMP - final year review																		
extra load		new		new WAM		coord & assessment		WAM hrs Variable		Totals								
		credits students		lecture tutorial		multiplier		per student hrs		Year		1718		1819 1920				
UG		60 50		240 150		0.06		3.6 180		570		WAM		0.00 570.00 570.00				
												T&S staff		0.00 0.46 0.46				
												T&R staff		0.00 0.93 0.93				

Organisation & Society SAG Modelling

Introduction

This report aims to understand the criteria used to put the Organisation and Society (O&S) Group in-scope and at-risk as part of the M2020 restructuring programme. According to ACAS Redundancy Consultation and Procedure (2017), an employer must disclose information about proposed redundancies that includes **'proposed method of selecting the employees who may be dismissed'**. Despite numerous requests, senior management are unwilling to disclose the modelling that provides evidential justification for the scoping of staff who are subject to voluntary severance and compulsory redundancy. In the absence of justification, staff members in one of the affected groups, the Organisation and Society (O&S) SAG have undertaken their own modelling from publicly available information to assess whether the reduction in staff numbers is justified by the proposed teaching rationalisations. They would have preferred to engage in internal debate about the numbers in order to understand the assumptions which underpin the decision-making process and to see which criteria has been applied to warrant 40 staff redundancies, but unfortunately school management refuses to engage with staff.

The rationale for staff cuts are linked to declining student numbers. For an area to be defined as in-scope it must therefore meet both absolute and relative criteria. In terms of absolute criteria, it must be demonstrated that falling student numbers create redundant posts at group level at the aggregate, as measured by the work allocation model (WAM). In terms of relative criteria, it must be demonstrated that reduced student numbers disproportionately impact in-scope groups relative to out of scope groups. The results from the modelling exercise show that (a) total numbers for staff redundancies at school level are completely out of line with the proposal of 40, and (b) the O&S SAG targeting has no justification in both absolute and relative terms. If compulsory redundancy is dependent on the legitimacy of the scoping exercise, then failure to provide evidential justification undermines the entire process.

Summary of the M2020 Agenda

For the M2020 vision to be realised, it has been argued that AMBS must 'reduce student intake numbers on some of its degree programmes (to)... improve student experience, continue to improve the quality of entry grades and student outcomes, and move towards a more consistent staff/student ratio across its divisions'. Falling numbers have implications for staffing levels: 'the reduction in the overall volume of teaching activity and income means a proposed consequential reduction of academic jobs required to deliver this teaching; as well as proportional savings in other associated operating expenditure'. And those student number reductions will fall disproportionately on some areas not others: 'The Organisations and Society group will be affected as it will experience reductions in UG numbers and MSc numbers on the MSc Management and the MBA programmes.'. The implication is that out-of-scope areas in divisions like A&F and other SAGs like Organisational Psychology, CIB and HRMEL are less affected by falling student numbers.

There are further qualifications:

- The redundancies are not driven by financial concerns
- The redundancies are not linked to any desire to refocus the research output of AMBS

Consequently, the criteria used to demarcate in-scope areas from out of scope areas should be able to demonstrate both an **absolute** and **relative** need for staff reductions in certain areas. The **absolute** case should be able to show that after the WAM effects of future student reductions are modelled, there is a WAM deficit at the aggregate within the in-scope group – i.e. the falling student numbers lead to a number of redundant posts. If that is not the case, then there can be no justification for cutting posts according to the rationale outlined in the M2020 documents. The **relative** case should be able to show that the effects of student number reductions fall disproportionately on in-scope groups to justify the demarcation of in and out of scope groups.

Method

To assess the absolute case for putting O&S in-scope, we model the likely WAM impact of three developments:

- a) falling student numbers across UG, PGT and MBA
- b) the rationalisations and adjustments recommended in the second and third year teaching reviews (the first year review has already been implemented and so is already accounted for) and
- c) other adjustments

To model **reduced student numbers** we took the most recent version of the WAM and made the following changes to the O&S WAM:

- All UG numbers reduced by 10%
- MSc Management numbers reduced to 100; with projects load smoothed across 6 tutors who rotate (normally only 4 or 5 tutors per 100 students)
- BASM numbers reduced to 75 on core courses; 17% (16.66 rounded up) reduction on student numbers modelled on non-core (from 90 to 75 students)
- MSc Projects (couldn't find guidance so applied BASM non-core rubric) 17% reduction in student numbers
- MBA numbers reduced to 70
- No adjustments to Global and Exec Ed since most of the work is carried out on a paid basis
- Academic advising –a reduction of 10% at UG level equates to the removal of 3 groups (O&S currently advises 25 groups).

To model the **effects of the teaching review** recommendations (which includes removal of some modules, especially 10 credit modules, as well as an increase in the number of one semester 20 credit modules), we made the following adjustments:

2nd year review

- BMAN10721 removed
- BMAN24141 remains, pending discussion with IMP (difficult because both in-scope)
- IDPM60311 removed
- BMAN24121 moves from 10 credit to 20 credit
- BMAN24132 remains, pending BA(Econ) review, as advised
- BMAN20211 removed
- BMAN20851 – load halved to reflect new input from marketing (NB conservative adjustment because the agreement was for marketing to cover a portion of the course, less than one half)

- BMAN24091 moves from 10 credit to 20 credit

3rd year review

- BMAN31581 removed
- BMAN31631 removed
- BMAN31772 moves from 10 credit to 20 credit; also becomes core
- BMAN31861 moves from 10 credit to 20 credit;

To model the **effects of other rationalisations**, we made the following adjustments:

- SING35050 removed; NB there is a second Singapore course taught in O&S, but this was not recorded in the WAM document we worked from.

Some qualifications:

- BMAN24141 and BMAN24132 may yet be removed, which would lower the total further
- Adjustments to teaching hours and single cohorting on the MBA/Global have not yet been factored in
- Much of the WAM surplus in O&S is excess research buyout (2000-2500) rather than contact teaching hours.

But equally there are reasons to believe the modelling may underestimate future staff resource requirements:

- Where courses have moved from 10 to 20 credit format, no adjustment has yet been made for additional lectures and seminars
- This data includes information for two staff who are leaving; it also includes three staff who are being fully or partially redeployed to executive education, which will further increase the burden.
- All calculations are made on a ceteris paribus basis – so, for example, all UG courses have student numbers reduced by 10%. It is possible that the rationalisation in the teaching review will ‘crowd-in’ students to the courses that remain, meaning that student numbers on those remaining courses may not drop at all.

To assess the relative case, we consider evidence on the contributions of different SAGs and Divisions to the suite of programmes in AMBS. We will explore whether student number reductions are likely to disproportionately affect the O&S SAG relative to other SAGs/Divisions and thus justify the in/out of scope criteria.

Findings

For the absolute case

1. The O&S starts from a position of significant over-work: on current staffing, it is currently **4589 WAM hours in deficit** at the aggregate which is being covered by staff putting in more than the required hours.
2. When the effects of student number reductions, course rationalisation and other adjustments are modelled, the O&S SAG WAM is still in deficit and that falls modestly to **3109 WAM hours in deficit** so that remaining staff are still being overworked.

3. Therefore, there is no case for putting O&S in-scope by the absolute criteria outlined in the M2020 documentation because the modelled effects of falling student numbers and rationalisations do not create redundant posts at the aggregate in the O&S group.

(see attached spreadsheet for full analysis)

For the relative case

1. In the programmes where O&S have a disproportionate presence, the proposed student number reductions are lower than other affected programmes, e.g. MSc Management where projected numbers are to fall by just 7.
2. In programmes where there are large student number reductions proposed, O&S play either a marginal role (MBA) or the programmes are taught cross-school and so affect in-scope and out-of-scope areas equally (BSc Management).
3. In programmes, particularly PGT, where large student number reductions are proposed, the resource implications fall on groups currently identified as out-of-scope (IB&M; BASM)
4. In terms of staff-student ratios, O&S have the second highest in the division after HRMERL. Again, this metric cannot justify the differential treatment of O&S. Indeed reductions in staffing will increase already high student-staff ratios in the SAG and create imbalances of experience across the School.
5. Therefore there is no case for putting O&S in-scope by the relative criteria outlined in the M2020 documentation because the proposed student number reductions do not *disproportionately* affect the group at the aggregate.

Conclusion

It is difficult to see from this modelling exercise what criteria could be applied to warrant putting O&S in-scope. For this reason we are keen to see the modelling analysis that has been carried out to justify putting areas in-scope. We believe it is now imperative for senior management within AMBS to disclose what analysis was done, by whom and when in the process of deciding in-scope groups.

Further to this, O&S would like to signal a warning: further staff losses in the O&S group will probably lead to a default on its teaching obligations for the next academic year. Even if we discount the ~2000 WAM which is simply surplus research buyout, the SAG will struggle to meet its teaching requirement because of the loss of two members of staff and the partial or full redeployment of three staff to Executive Education. From this perspective, the SAG resource requirement for delivering 'business critical' services (as determined objectively by a series of internal teaching reviews) should be, as a bare minimum, retention of all those currently in scope in O&S.

Appendix1 AMBS M2020 Project - Programme level changes in student numbers

Programmes listed with relatively large changes in planned intake, (and those programmes like MSc Management which have been mentioned in M2020 briefings as part of the justification) are covered below.

The tables below show that many of these programmes targeted for reductions in numbers are cross-school (eg MBA, BSc Management). Others will reduce teaching needs mainly in out of scope areas (eg MSc IB&M, MSc BASM).

The data challenges the justification for putting some (but not all) areas of AMBS in scope. Specifically, it suggests no clear reason to put O&S in scope on the basis of teaching requirements compared with the rest of the out of scope PMO division.

IN SCOPE

O&S Organisations & Society

MSM Marketing and service management

IMP Innovation management & policy (minus health group and MEC)

OUT OF SCOPE

A&F accounting & finance

HRMERL human resource management & employment

OP organisational psychology

CIB comparative and international business

SOSS School of Social Sciences

1. PGT programmes

- a) **MSc Management – proposed reduction in 10 students (from 110 in 2016-17 to 100 target).** NB over the last 5 years, average numbers are about 100 so no significant reduction in teaching compared with the last few years.

Core course unit (all 15 credits, except project, which is 30 credits)	Currently provided by group	Relevant colleagues IN or OUT of scope
Foundations of Management	O&S	IN
Introduction to Accounting	A&F	OUT
Marketing and Management	MSM	IN
Business Performance and Strategy	O&S	IN
Sustainability and Social Responsibility	IMP	IN
Innovation Management and Entrepreneurship	IMP	IN
Comparative Employment Relations and International Human Resource Management	HRMERL	OUT
Organisational Psychology	OP	OUT
Trends in Global Business and Management	O&S	IN
Research Skills for Business and Management	O&S	IN
Project	O&S and others	IN

b) MSc International Business and Management- this programme shows the largest planned fall from 132 this year to 80

Core course unit (all 15 credits, except dissertation, which is 60 credits)	Currently provided by group	Relevant colleagues IN or OUT of scope
Comparative Business and Management	CIB	OUT
Fundamentals of International Business and Management	CIB	OUT
Research Methods and Data Analysis	CIB	OUT
Theories in International Business	CIB	OUT
International Business Strategy	CIB	OUT
Electives covering 45 credits	From across school	IN and OUT
Dissertation	Mainly CIB and externals	Mainly OUT

c) MSc Business Analysis and Strategic management (BASM) – proposed reduction from 95 this year to 80)

Core course unit (all 15 credits, except dissertation, which is 60 credits)	Currently provided by group	Relevant colleagues IN or OUT of scope
Comparative and Global Management	HRMERL	OUT
Business Models: Theory and Practice	HRMERL	OUT
Organisational Design and Strategy: International Contexts	HRMERL	OUT
Analysing companies: Business Models, Narrative and Numbers	O&S	IN
Research Design and Methods	HRMERL	OUT
Electives covering 45 credits	From across school	IN and OUT
Dissertation	Mainly HRMEL plus O&S	Mainly OUT and IN

d) MBA (full-time, taught in Manchester) – proposed reduction in numbers from two cohorts (100 students) to one cohort (70 students)

Core course unit	Currently provided by group	Relevant colleagues IN or OUT of scope
Venture Capital & PE	A&F	OUT
Practical Investment	A&F	OUT
Investment & Portfolio Mgt	A&F	OUT
Corp Turnaround	A&F	OUT
Managing Disruptive Tech	A&F	OUT
Strategic Mngt of Projects	O&S	IN(?) (GW Exec Ed – OUT?)
Practicing Manager	O&S	IN
IBS	CIB	OUT
Strategic HRM	HRMERL	OUT
Commercial & Contract Mgt	David Lowe	OUT? (Exec Ed?)

Negotiation Skills	IMP	IN
Entrepreneurship & IM	IMP	IN
Sustainable & Soc Resp	IMP	IN
Media & Creative Econ	IMP	IN
Digital Economy	IMP	IN
Information Systems	IMP	IN
Supply Chain Mgt	MSM	IN
B2B Marketing	MSM	IN
Doing Business in China	MSM	IN
Digital Marketing Strat	MSM	IN
Big Data Analytics	MSM	IN
Managing & Leading in GE	O&S	OUT (IE & MB are OUT)
A&F:MBV	A&F	OUT
Strat & Competition	IMP	IN
Marketing & Ops	MSM	IN
SforL	Org Psych	OUT
Guest Speaker	O&S	IN
NfP	A&F	OUT
M&A	A&F	OUT
CBC	A&F/IMP	OUT/IN

2. UG programmes

a) BSc Management – proposed reduction in numbers from 329 to 280

1 st year core course unit	Currently provided by group	Relevant colleagues IN or OUT of scope
Economic principles (micro) (10)	SOSS	OUT
Fundamentals of financial reporting (10)	A&F	OUT
Marketing foundations (10)	MSM	IN
Case studies in management (10)		
Financial decision making (10)	A&F	OUT
Fundamentals of management accounting (10)	A&F	OUT
Intro to work psychology (10)	OP	OUT
Academic & career development (10)	all	IN and OUT
Intro of management & org studies (20)	O&S	IN
Quant methods for bus & man't (20)		

The BSc Management has a common 1st year core; 2nd and 3rd year core courses depend on the specialism chosen; specialisms cover contributions from across the School. Hence any reduction in numbers will impact teaching requirements across the school.

The BSc Management is the largest UG programme where most of the reduction in UG numbers is expected to fall. Other programmes are much smaller, with the exception of BSc IBFE (expected numbers 100), of which a significant part of the teaching is provided by A&F and SOSS.

Appendix 2

ACAS Guidelines

‘What information must an employer disclose about proposed redundancies?’

To ensure employee representatives can play a useful part in the consultation process over proposed redundancies your employer must disclose certain information in writing including:

- reasons for the proposed redundancies
- numbers and descriptions of employees affected
- **proposed method of selecting the employees who may be dismissed**
- proposed method of carrying out the dismissals, taking account of any agreed procedure, including the period over which the dismissals are to take effect
- how redundancy payments, other than the legal minimum, will be calculated’.

Source: ACAS Redundancy Consultation and Procedure, <http://www.acas.org.uk/index.aspx?articleid=4256>