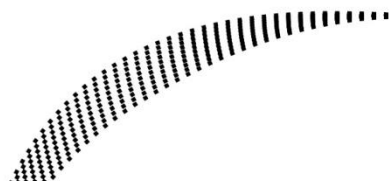
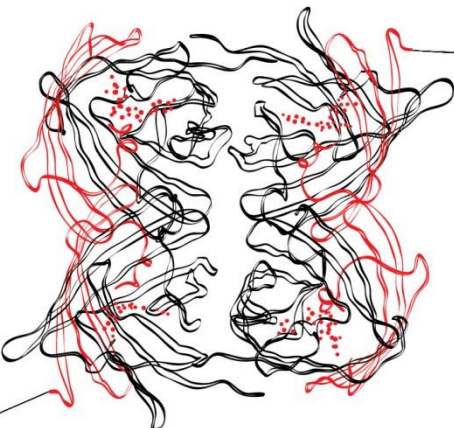




**University of Twente Regulations
for organizational changes**



**Reference: CvB UIT - 2826
Original date: 2/15/2018
Date of last change, as determined
by the Executive Board: 4-11-2019**

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In case of difference of interpretation the Dutch version is binding.

Foreword

These regulations are a working practice for organizational changes within a faculty, service department or across units, which will have consequences for the legal status of employees, ranging from small (a change to one position) to large (a formal reorganization). The immediate reason for these regulations is the Continuous Redundancy Plan that was drafted to soften the consequences for the legal status of employees brought about by organizational changes within or outside the context of reorganizations, formal or otherwise. Furthermore, the Board and participation at the University of Twente want to use these regulations to review their collaboration during organizational changes. Key terms in this context are administrative transparency and a proactive attitude from the participation bodies. These form part and parcel of modern operational management and in addition meet the political wish for reinforcement and involvement of participation in higher education.

Administrative transparency refers to the full and timely provision of information about possible organizational change and discussion of it at an early stage. Other components of an open administrative approach include discussion of scenarios, decision-making procedures and continuously informing and involving the relevant community.

A proactive attitude on the part of participation means that the councils use their early involvement to contribute to ideas, make proposals for improvement and show willingness where necessary to phase the decision-making.

In the past, one recurring point for discussion was the question whether an organizational change constitutes a formal reorganization according to the Collective Labour Agreement. Is the organizational change 'significant' and are the consequences for the legal status of employees far-reaching in nature and scope?

These regulations do not attempt to further define these qualifications; rather they describe similar procedures for both organizational change and formal reorganizations, while the Continuous Redundancy Plan applies to both. This provides participation and the board with the opportunity to shift their focus from procedure to the substance of the organizational change.

Each change process in an organization has its particular characteristics. These regulations address – in general terms – the questions of when and how organizational changes with consequences for the legal status of employees must be brought before participation. **These regulations offer scope for the manager and participation in joint consultation to meet the specific character of the current organizational change.**

The **first paragraph** contains a description of the most important terms used in organizational changes. The **second paragraph** describes the process of discussing organizational changes early on. The **third and fourth paragraphs** contain a description of the three categories of organizational change and the classification of each category, respectively. In addition, the **fourth paragraph** focuses on the combined decision in the event the organizational change is a result of a policy change. Finally, **paragraph five** discusses the procedure and follow-up procedure for each category.

1. Terms

Management

Based on the Executive and Management Regulations (BBR), the faculty board acts as manager for the faculty, the service director acts as manager for the service departments and the Executive Board acts as manager for the University of Twente as a whole.

Administrative unit

Based on the Executive and Management Regulations, an administrative unit is the part of the university identified by the Executive Board as a distinct administrative unit for human, material and financial resources.

Administrative units in the context of the Executive and Management Regulations are faculties and service departments.

Cross-unit

A cross-unit organizational change is deemed to exist if:

- the organizational change affects more than one administrative unit and/or
- the organizational change has consequences for the formation of more than one administrative unit or the University of Twente as a whole.

Several units may have a joint service council, such as the joint service council for the service departments FIN, SP and HR. In that case, an organizational change, of which the consequences are restricted to the administrative units concerned, is not handled as a cross-unit organizational change.

Far-reaching consequences for the legal status of employees

Pursuant to Article 9.4 (2) of the Collective Labour Agreement for Dutch universities, far-reaching consequences for the legal status of employees are taken to mean the following: a dismissal or imminent dismissal, an important change to a position or a transfer to another organizational unit.

Consequences for the legal status can range from limited consequences (in number or impact), such as a move, to far-reaching consequences as referred to in Article 9.4 of the Collective Labour Agreement for Dutch universities.

Please note: a move is taken to mean: relieving someone from their former position and placing them in another position.

Participation body

Participation body is taken to mean the Faculty Council (FR), the service council (DR) or the University Council (UR). In the instances where the Executive Board acts as manager, the University Council (UR) is the competent participation body.

Consultation with Local consultation body

Consultation with the Local consultation body refer to consultations between the Executive Board and the OPUT (University of Twente consultative body for staff) in which the redundancy plan is discussed and in which notification is given of organizational changes that rely on the Continuous Redundancy Plan.

Organizational change

An organizational change is a modification to the organizational structure and/or the size of the organization or a unit which will have consequences for the legal status of employees and which does not take place within regular operational management. Reasons for organizational change may be financial in nature (cutbacks, economic considerations, altered research funding, funding system) and/or substantive and strategic in nature (such as changes to working practice, restructuring of tasks, more customer-oriented work, increasing efficiency or altered student numbers).

Regular operational management and consequences of regular human resources management

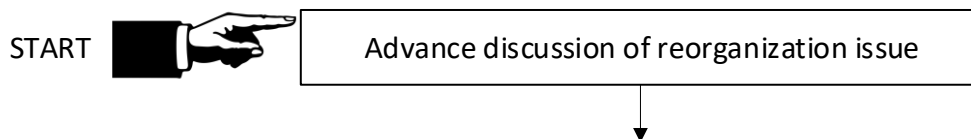
Ordinary organizational adaptations within regular operational management and the consequences of regular human resources management are not considered organizational changes. Individual decisions taken within regular operational management and as a result of regular human resources management are not considered to be organizational changes either.

Examples are an individual promotion or a change to the allocation of tasks within a team without it leading to a change of position. Regular operational management also includes the situation in which a temporarily funded position/job becomes redundant due to a change to or termination of the funding where this has been laid down in writing in advance.

Consequences of regular human resources management include dismissal due to incompetence/unfitness or disciplinary dismissal.

2. Advance discussion of the present organizational issue

In the case of organizational changes with consequences for the legal status of employees, the manager will commence advance discussions with participation regarding the reason for the change (benefit and necessity), where necessary/possible substantiated by an analysis. *Advance* is a key word in this case: the role of participation is most valuable if involved in the planning process from the earliest ideas instead of in the final decision-making process. This early participation can improve the decision-making process, commitment and support for it and prevent suspicion and unforeseen blocking.



Please note: Appendix 1 includes the entire process flow diagram.

It is clear that it can be handled in different ways, depending on the type of issue, but the following different phases in the decision process and consultation can often be distinguished:

- open (opinion-sharing) discussion, based on a first analysis or otherwise,
- exploring the various scenarios or action plans,
- choosing the 'best action plan' and
- detailing the relevant aspects of the action plan and translating it to the organization of staff.

It is important that the discussion partners are aware of the status of a discussion item and when formal steps should be taken, as described in the following paragraphs, the identification of the type of organizational change and development of the plan. The manager may request advice in the interim, for example to establish the basic principles of new policy or to choose between various scenarios. If so desired, the participation body may also issue unsolicited advice on the further development of a plan.

In this phase, discussions take place on whether the change is expected to have consequences for the organization and staff of one unit or that the organizational change goes across units; that will determine which participation body should be involved.

3. Categories of organizational change

The University of Twente distinguished three categories of organizational change. This classification is intended as a guideline and can be deviated from in consultation with participation. The manager and participation may also agree to hold the advisory and assent procedures simultaneously.

Please note: Individual decisions taken within regular operational management and consequences of regular human resources management are not considered to be organizational changes.

Category 1:

Organizational change not affecting the organization and/or working practice of the administrative unit(s)

This type of organizational change within a unit may have consequences for the legal status but these are not far-reaching for the unit in terms of their nature and/or scope. However, there may be far-reaching consequences for the legal status of one individual employee.

Example:

- Restructure of a limited number of positions/move of a department within a faculty or of a faculty within a service department. The restructure does not impact the organization or the working practice of the faculty or the service department, but can lead to a change of hierarchical relationships, e.g. a different supervisor, a move to another chair. The cause could be a reduction of external revenue (contract funding).
- Individual redundancy can also fall into category 1, provided that the redundancy of the employee involved does not impact the organization and/or working practice of the unit as a whole.

Category 2:

Organizational change affecting the organization and/or working practice of the administrative unit(s) or the University of Twente as a whole

An organizational change that affects the organization and/or the working practice of the relevant unit/units or the University of Twente as a whole without far-reaching consequences for the legal status of employees.

The advisory and assent procedures may be held simultaneously, if so agreed. This is always expected to occur unless in the case of a cross-unit organizational change.

Example of a change within one unit:

- Formation of clusters of departments/chairs.
- Merger of departments within a faculty without far-reaching consequences for the legal status of employees, resulting in a change to the Faculty Regulations. In this context, please refer to page 7, the organizational change due to a policy change.

Example of a cross-unit change:

- Centralization or decentralization with limited consequences for the legal status of employees.
- Merger of two faculties or service departments with limited consequences for the legal status of employees.

Category 3:

Reorganization of administrative unit(s) or the University of Twente as whole in accordance with Article 9.1. of the Collective Labour Agreement for Dutch universities.

An organizational change, as referred to in Section 25 (1) (a)-(f) of the Works Councils Act (*Wet op de Ondernemingsraden*), that relates to the university or an important part of it, with direct and far-reaching consequences for the legal status of employees.

Example of a change within one unit:

- Contracting out a certain service with far-reaching consequences for the legal status of employees.
- Eliminating a specialization within an educational programme (educational track) with far-reaching consequences for the legal status of employees within one faculty.

Example of a cross-unit change:

- Eliminating cross-faculty educational programmes with far-reaching consequences for the legal status of employees.
- A spending-cut target across the University of Twente for service departments with expected far-reaching consequences for the legal status of employees.

4. Classifying the categories of organizational change

After the advance report of an organizational issue, the category of the organizational change must be determined. Based on Sections 9.37 (5) and 9.50 of the Higher Education and Research Act, the central question here is whether the organizational change does not (Category 1) or does (Category 2 or 3) affect the organization and/or working practice of the administrative unit(s) as a whole.

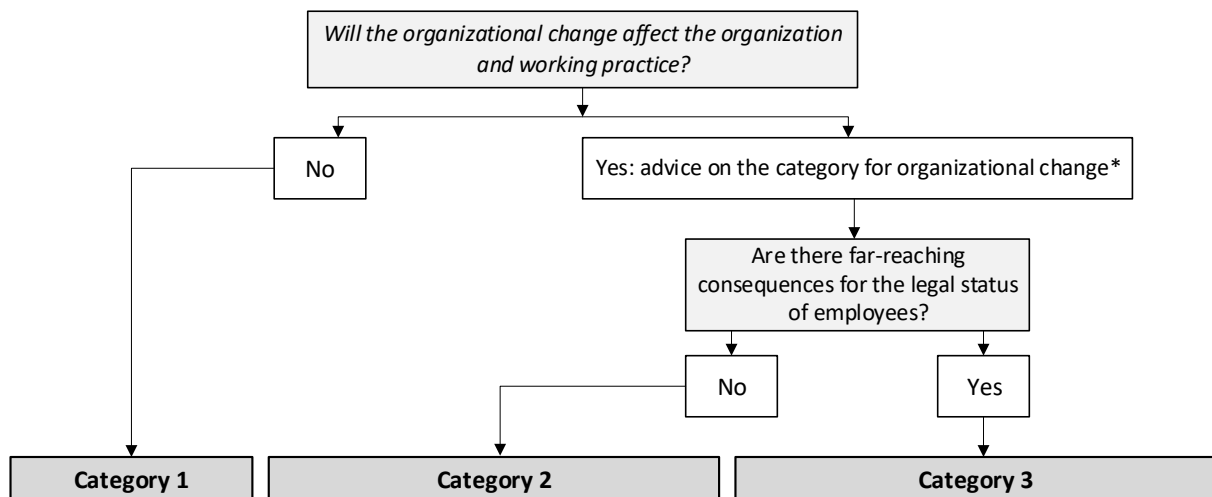
If there is no impact on the organization and/or working practice of the unit as a whole, the intended change falls in category 1. If the manager decides to class an organizational change into category 1, he will inform participation about the nature of this organizational change and provide substantiation of why category 1 applies. If participation does not agree with the category classification, it may issue unsolicited advice.

If there is an impact on the organization and/or working practice of the unit as a whole, the manager will ask the participation body for advice on the classification in either category 2 or 3. The manager will propose a category to participation and include the following substantiation in his proposal:

- The **reason for the organizational change**, where necessary/possible substantiated by an analysis (see also *organizational change due to a policy change* in this paragraph)
- The **purpose** of the organizational change (benefit and necessity)
- The **scope** of the proposal: which parts of the organization does it concern and what type of positions?
- The expected **consequences for the legal status of employees** in general (reduction, expansion, change to positions, threat of dismissal)
- The **procedure** to be followed in preparing for and implementing the organizational change and participation process, including a rough time schedule.

Based on the manager's proposal and substantive discussion with the competent participation body, the organizational change will be classified in one of the categories indicated. Participation and the manager will record the advice or response to the advice in writing and communicate it to the parties involved.

In the case of a reorganization (category 3), the request for advice will also serve as a notification of the intended decision to reorganize, pursuant to Article 9.2 of the Collective Labour Agreement for Dutch universities, and will be sent to the OPUT.



Please note: Appendix 1 includes the entire process flow diagram.

During the follow-up procedure (further detailing of the intended organizational change), a categorization may on occasion turn out to be inadequate, for example when unforeseen far-reaching staffing consequences are to be expected. Both the manager and participation may then propose reviewing the category.

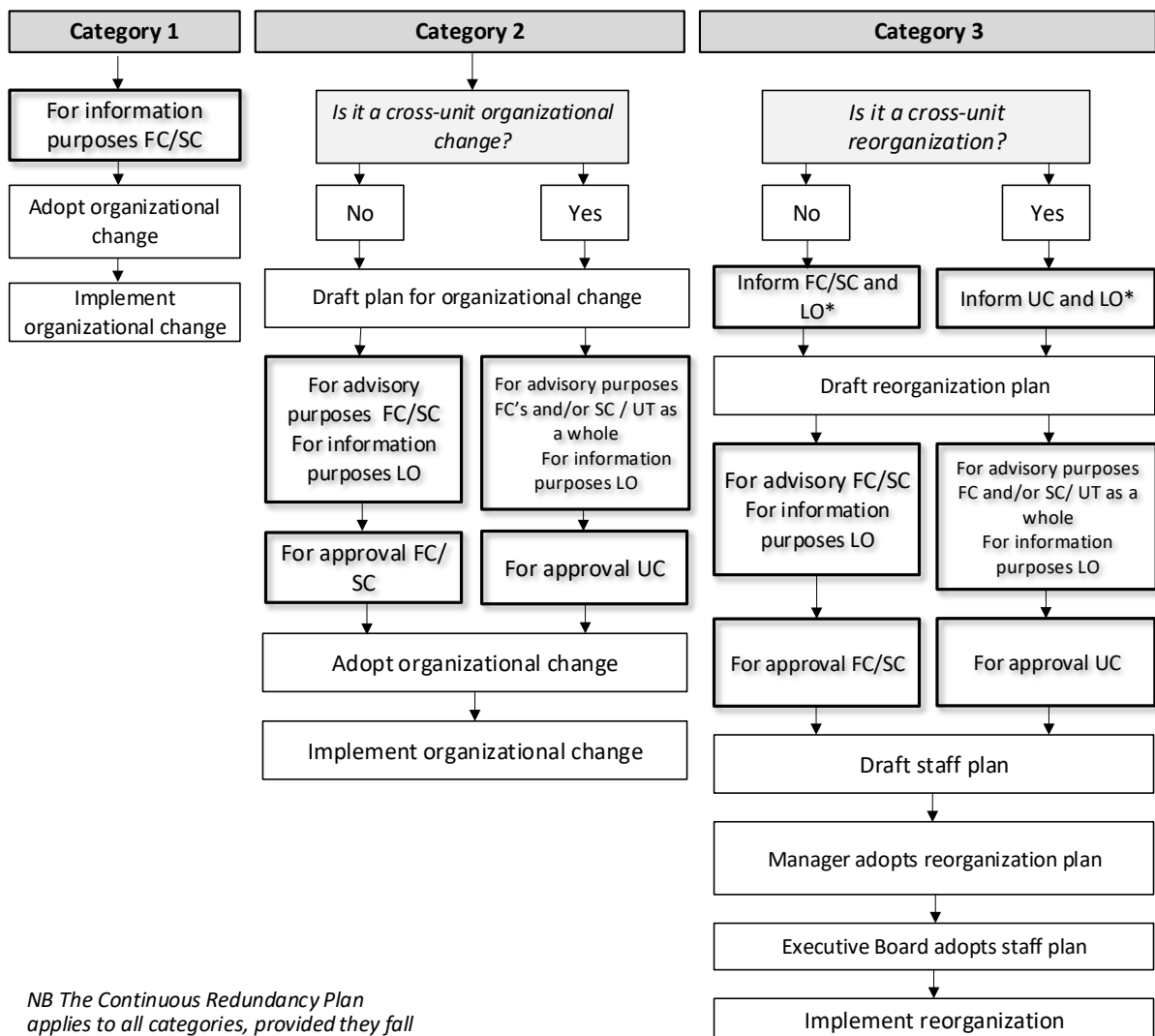
Organizational change due to a policy change

Policy change and organizational change are different powers of the council as a whole or of the council's staff delegation, respectively. If the reason for an organizational change lies in a change of policy, it is advisable to make this policy change explicit and thereby to respect the applicable powers of participation. Examples in this context are the closure of an educational programme or a major deviation from the chair plan: the relevant Faculty Council (as a whole) will then have right of advice or right of approval regarding the policy change, while the powers for organizational change are different for the staff and student delegations.

When a policy change and corresponding organizational change concern a change to the Executive and Management Regulations or a change to the Faculty Regulations, it makes sense to establish the policy and organizational change in conjunction. A combined decision such as this then takes place with a different composition of participation. Approval for the change to the Executive and Management Regulations or the Faculty Regulations is granted by the entire council, while approval for the organizational change is granted by the council's staff delegation.

5. Procedure per category

Each category has its own procedural requirements, ensuing from the nature of the change and the difference in scope of the consequences for the legal status of employees. The procedures to be followed are described per category and illustrated in the flow Diagram below.



NB The Continuous Redundancy Plan applies to all categories, provided they fall under the area of application as determined in Article 2 of the Continuous Redundancy Plan.

** The request for advice about the category for organizational change also serves as notification*

Please note: Appendix 1 includes the entire process flow diagram.

Although it is a prerequisite for each category to carefully make decisions and inform the relevant parties in good time, the most stringent formal requirements are those for a formal reorganization with major organizational and staff impact.

Procedure for category 1: Organizational change not affecting the organization and/or working practice of the administrative unit(s)

As regards a category 1 organizational change, it is sufficient to actively inform the persons directly involved. The dean or service department director informs the Faculty Council, or the Service Council respectively, about his intention to implement an organizational change without major impact and to treat it as a category 1 organizational change. The manager can decide without prior advice from participation whether category 1 applies. If desired, the participation body can issue advice on this categorization. The Continuous Redundancy Plan applies, provided it falls under the area of application as determined in Article 2 of the Continuous Redundancy Plan.

Procedure for category 2: Organizational change affecting the organization and/or working practice of the administrative unit(s) or the University of Twente as a whole

1. The manager draws up a plan for organizational change which describes precisely what the intended change to the organization is. In many cases this will be an elaboration of a previously discussed action plan. The plan will at least include the following information:
 - a. The change to the organization on which the plan for organizational change is based.
 - b. Purpose and task of the new organization and its components.
 - c. The qualitative and quantitative deployment of the old and new organization: number and types of jobs, including reference date on which the former organization (number and types of jobs) will be determined.
 - d. The basic principles and preconditions as regards the consequences for staff.
 - e. How the expected consequences for the legal status of employees will be handled, with due regard for the Continuous Redundancy Plan.

The manager regularly updates the participation body on progress. Employees involved are regularly informed about developments and the possible consequences of the organizational change.

The manager takes a proposed decision on the plan for organizational change.

2. The manager requests advice on the proposed decision from the participation body. The OPUT receives a copy of the request for advice. If the plan or part of it relates to a policy change subject to the right of approval by the participation body, advice must be sought on this point explicitly.

The staff delegation of the participation body will issue advice on the draft plan for organizational change. The Continuous Redundancy Plan applies, provided it falls under the area of application as determined in Article 2 of the Continuous Redundancy Plan.
3. The manager replies to the advice in writing and adjusts the plan where necessary.
4. The manager submits the plan (adjusted or otherwise) for approval to the staff delegation of the participation body. The participation body records the decision in writing.
5. The manager adopts the final plan for organizational change, informs all involved employees, the participation body and the Executive Board. On that basis, the Executive Board will inform the Local consultation body. The manager implements the organizational change.

Procedure for category 3: Reorganization of administrative unit(s) or the University of Twente as whole

1. After a reorganization (category 3) has been established, the manager must inform the OPUT and competent participation body in writing of the reorganization proposal, in accordance with article 9.2 of the Dutch universities' Collective Labour Agreement. The previously drafted request for advice issued to the participation body regarding category classification also serves as notification of the intention to reorganize, pursuant to Article 9.2 of the Collective Labour Agreement for Dutch universities, and thus does not need to be drafted again. It is also sent to the OPUT.

The employees from the component(s) involved in the reorganization will be informed in general terms of the intention.
2. In accordance with article 9.5 of the Collective Labour Agreement for Dutch universities, the manager draws up a **draft reorganizational plan** which describes precisely what the intended change to the organization is. The reorganization plan will at least include the following information:
 - a. The change to the organization on which the reorganization plan is based.
 - b. Purpose and task of the new organization and its components.

- c. The qualitative and quantitative deployment of the old and new organization: number and types of jobs, including reference date on which the former organization (number and types of jobs) will be determined.
- d. The basic principles and preconditions as regards the consequences for staff.
- e. How the expected consequences for the legal status of employees will be handled, with due regard for the Continuous Redundancy Plan.

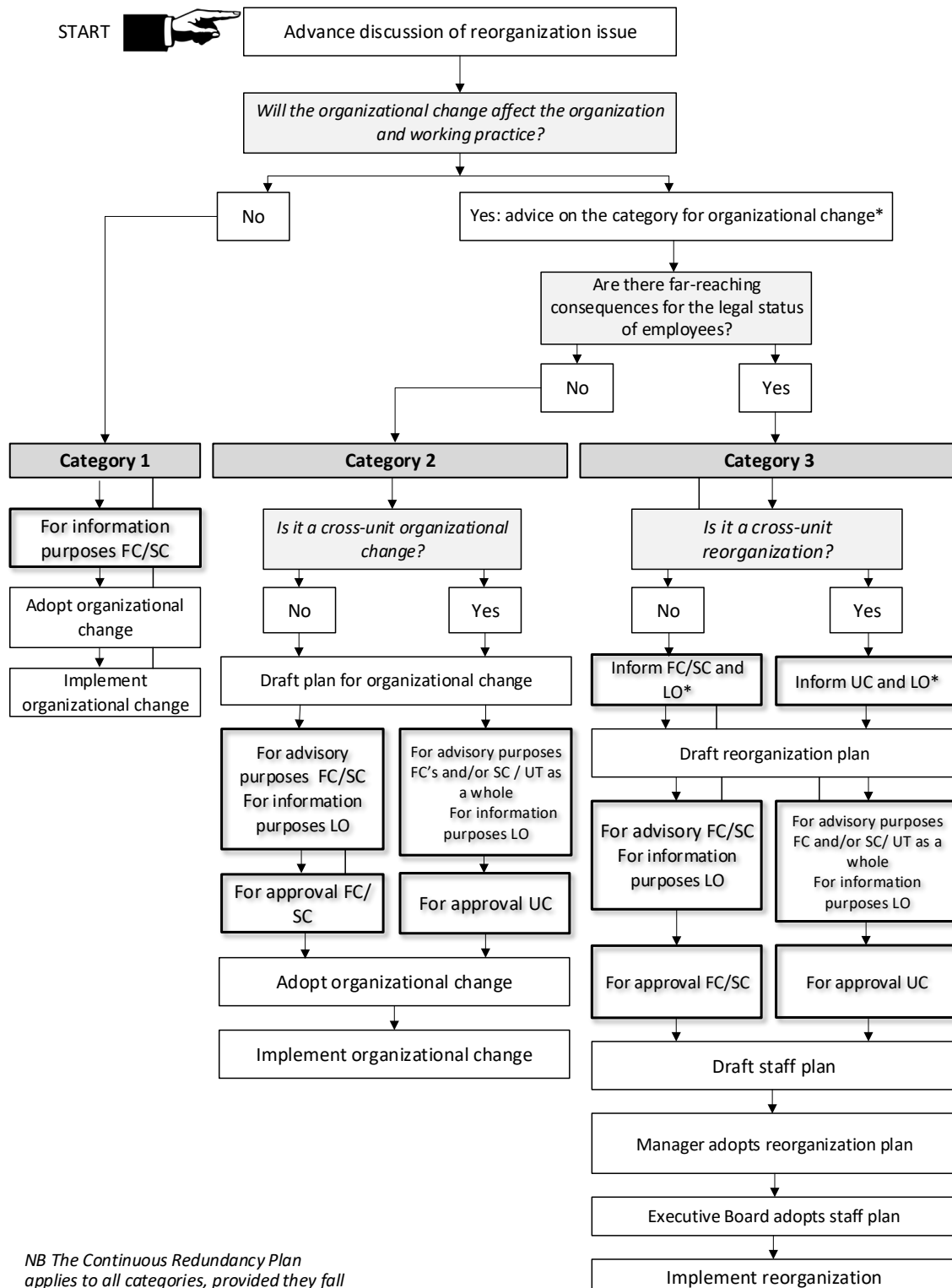
The manager regularly updates the participation body on progress. Employees involved are regularly informed about developments and the possible consequences of the reorganization.

The manager takes a proposed decision on the reorganization plan.

3. The manager requests advice on the proposed decision from the participation body. The OPUT receives a copy of the request for advice. If the plan, or part of it, relates to a policy change subject to the right of approval by the participation body, advice must be sought on this point explicitly.
The staff delegation of the participation body will issue advice on the draft reorganization plan.
4. The manager replies to the advice in writing and adjusts the reorganization plan where necessary.
In accordance with article 9.3 of the Collective Labour Agreement for Dutch universities, the Executive Board discusses with the OPUT in Local consultation body how to handle the far-reaching consequences for the legal status of employees.
In accordance with article 9.4 of the Collective Labour Agreement for Dutch universities, the Executive Board must discuss with the OPUT in the Local consultation bodies whether to draw up a redundancy plan in addition to the Social Policy Framework (now that the Executive Board has agreed to a Continuous Redundancy Plan with the OPUT, the application of the Continuous Redundancy Plan and any supplementary provisions for reorganization will be determined in the Local consultation body).
5. The manager submits the reorganization plan (adjusted or otherwise) for approval to the staff delegation of the participation body. The participation body records the decision in writing.
6. In accordance with article 9.5 of the Collective Labour Agreement for Dutch universities, the manager draws up a draft staff plan simultaneously with the reorganization plan or after it has been drawn up. The staff plan must include at least the following:
 - a. The employees for who the organizational position will change and in what way.
 - b. Which employees face dismissal.
 - c. Which employees in other respects face a direct or far-reaching change to their legal status.
 - d. How the expected consequences for legal status will be handled, with due regard for the Social Policy Framework as included in the Collective Labour Agreement for Dutch universities and the Continuous Redundancy Plan.
7. The manager adopts the final reorganization plan and informs all involved employees, the participation body and the Executive Board. On that basis, the Executive Board will inform the Local consultation body.
8. The manager submits (if possible in person) the legal consequences to be expected to the employees referred to in the staff plan and gives them a two-week period to respond (express an opinion) to the matters in the plan relating to them, in accordance with article 9.7 of the Collective Labour Agreement for Dutch universities.

9. The manager adopts the staff plan. The staff plan is sent to the participation body and the OPUT for information purposes.
10. The manager announces the decision in writing to the employees named in the personnel plan.
11. The manager regularly updates the participation body on progress regarding the implementation of the reorganization plan including the consequences of the reorganization for staff. The OPUT is informed of how those consequences for staff are handled.
12. Unless agreed otherwise, a meeting will take place with the Executive Board and the participation body twelve months after the reorganization plan was adopted regarding the results of the reorganization. Topics for discussion will include at least the details of how the staffing consequences of the reorganization are being handled. The OPUT will also be informed about how those consequences for staff are being handled.

APPENDIX 1: PROCESS FLOW DIAGRAM OF ORGANIZATIONAL CHANGES



NB The Continuous Redundancy Plan applies to all categories, provided they fall under the area of application as determined in Article 2 of the Continuous Redundancy Plan.

* The request for advice about the category for organizational change also serves as notification