

大學與公務員脫鉤後的薪酬及福利制度公聽會

致：立法議會教育委員會立席及各立法會議員

由：高教聯代表 香港浸會大學民選董事 丘延亮

回到未來：大學脫鉤催化大學管治退化？

脫鉤之際和之後大學管治的所謂「校本」管理實質變成了以既存行政體制為「本」的反智管理主義操作；既有的行政/權力小圈圈更在校董委派制——校內由高層行政人員充任，校外由特首派任——一下加強了內交易(in-breed)的性質；更加劇了殖民管治的假諮詢真專權惡習；成員在為主治事與沽名釣譽之餘、置公眾利益如糞土、妄顧個人與集體的利益衝突事實，兀自以橡皮圖章自任，助紂為虐，假學術獨立之名，濫施行政暴力之實。所謂最高權機關之校董會，以浸大為例，三十四名董事中，校外十五人由特首派任，三人教會推薦，而十六名校內董事中十三人為高級行政人員，教職與學生代表僅有三人。尤有甚者，人事委員會十四人中九人為行政人員。其他委員會中，行政人員擔任四個到二個委員會者多人，學生及民選董事不是被強派在無關痛癢的委員會，就是不獲派任任何委員會。見微知著，無怪乎校董會成為了無參與、乏獨見；欠批評、缺反思；喪監管、失反映的尸位素餐的社交聚會；成事不足敗事有餘。現以下列具體事情為例，痛陳浸會大學校董會之嚴重失職情況。

1 妄顧利益衝突：

三十四位董事中，自浸大受薪者佔十五人，6/23 會議中強行通過的減薪方案，明顯肥上瘦下，且給予主管人員獨斷的人事評鑑與審議權；主管行政人員自身卻缺乏被評鑑與審議之機制。此外，會議提案非常空洞，欠實質細則，甚至邏輯不通，前後矛盾；不但無法自圓其說，可議之處多如牛毛。最後，眾董事只有兩個工作天的時間閱讀，卻群起舉手投票「贊成」；董事主席更妄顧民選董事提出申報利益之議；是徹底違規的驚人之舉。倘非閉門密議之事實，當絕無可能任此三合會式之操作得逞。此案胡塗通過，對浸大之前途影響甚巨，可惜由於當前大學管治(Governance)的陋習與成規——除非此案因涉及公共利益成為公共議題，且接受法庭調查，將會議錄音公諸於世——實難有真相大白之一日！（見附件 I）

2 仇視壓迫工會：

浸大董事會主席、秘書及成員自工會成立後，不但多次依例收到工會陳情及各種調查結果及意見文件；更多次被要求與工會直接溝通；可惜迄今只有極少數的董事曾接觸工會；絕大部份對工會的立場一無所知，卻無緣由地仇視忌諱。及至於在董事會審議行政當局歧視工會一案時，竟有董事挑戰身屬工會會員的民選董事的議事資格，意欲將他排除在外，倘非董事會秘書的警告，認為此舉不可，才匆匆撤回提議，未曾釀成笑話。儘管如此，董事們對工會的猜忌與無知卻仍暴露無遺。時至今日，董事會雖強行通過了不予工會使用大學校內設施一案，卻從來未曾交待校方對付工會一事，為何從未獲董事會授權，也從未向董事會交待？董事會擅用公帑發律師信，如何合理化？圖利於校董會主席的律師行，進行法理上站不住腳的恐嚇，又如何交待？校方是否有準備擱置與此律師行之商業關係？並調查此律師行之適任資格？(見附件 II)

3 非法偷步、剝削員工：

浸會減薪與更改薪資結構之議，迄今只有粗糙提綱見世，可實施之細則、結案無日；卻已經造成上下人心惶惶，內外滿城風雨。更豈有此理者，由二零零三年以來，浸大人事單位早已在職工換續新時妄添條款、預謀在無法源、欠法據的情況下著手陷害心無預警的廣大職工。証諸近一年來校董會秘書及董事會上下違規操作，藉秘密會議與非民選多數暴力強行通過一系列問題議案的惡跡，程序公義在此「公共議場」之中盪然無存，令人髮指！當局——及其扈從者——之所以如此，其居心如司馬昭者、燭然！(23/6)董事會中前有枉顧利益衝突之議，後有無視建議重審之請；橫使行政暴力與強詞之斷，公然草菅議事程序，其用意與作用，昭然？(見附件 III)

4 方案荒誕無可行性：

浸大的薪資改革與減薪方案(4/6 方案)可說是個笑話文件；前言不對後語，思想混亂，窒礙難行(參考附件 IV)，但結果除了本人反對及學生會主席退席外——竟「一致」通過議案。這說明了什麼呢？相信歷史自有公斷。而立法會議諸位如不願見此種「歷史」一再重演；請重新整治大學 Governance, 促成：

- 1 開啓教職員、學生甚至公眾參予大學的權力機制
- 2 公開大學財政、人事及各種會議與會議紀錄
- 3 要求高階層行政/權力人員申報利益，透明問責
- 4 展開有知性內容的政策辯論，予公眾知情的權力以及進行決策的發言權

1. Declaration of interest of Council Members regarding pay and reward structure for staff (Hong Kong Baptist University Ordinance, 16 (4) (a) and (b)).

Mr Chairman, Panel Members, I should like to draw the your attention to the requirements that are stipulated by the current Hong Kong Baptist University Ordinance and the Guidelines of Procedure of the Council regarding declaration of interest of Council Members in any matter to be considered at a Council meeting.

Section 16 (4) (a) of the Hong Kong Baptist University Ordinance states: If a member has an interest in any matter to be considered at a meeting of the Council and is present at such meeting, he shall as soon as possible after the commencement of the meeting state the fact and the nature of the interest and shall, if required by the Council, withdraw while the matter is considered and in any case shall not vote thereon.

Section 16 (4) (b) of the Hong Kong Baptist University Ordinance states: In this subsection “interest” includes a pecuniary interest.

Paragraph 21 of the Guidelines of Procedure of the Council states: If any Member present at a meeting has an interest, including a pecuniary or personal interest, in any contract or proposed contract or other matter which is to be considered by the Council at the meeting, he shall as soon as possible after the commencement of the meeting state this fact and the nature of his interest. The Presider shall thereupon ask the Council to decide whether such a Member should withdraw from the meeting while the matter is considered or be present but abstain from participating and voting on the matter under discussion, and whether those parts of the minutes relating to the matter shall be circulated to the Member who has been requested to withdraw.

There are good reasons to require all HKBU Council Members to state their interest, be it personal or pecuniary, regarding the new pay and reward structure for HKBU staff after deregulation.

The reasons being that: First and foremost, University Council Members will determine a new pay and reward structure that may bring about personal gains or losses individually. It will not be difficult to see that the new pay and reward structure is premised on the overall financial viability of the University. As we all know, pay and reward for staff (alternatively known as staff cost) account for the no less than 70% of the University’s budget. I would like to point out

that given the financial uncertainties the University claims to encounter, the Steering Committee recommends that (a) for academic staff, the existing pay and benefits levels could be retained with the exception of only two changes (flexible increments and a possible reduction the University's contribution to the superannuation fund), (b) for non-teaching staff, however, there will not be such protection, and 30% of them will have to face reduction of basic salary, for some even as high as 10%, under the proposed structure, on top of a 3% cut in alignment with Civil Service pay reduction. Who knows there may also be another 5% cut in terms of the University contribution to gratuity/superannuation benefits whenever the Council sees fit. One can also add that under the proposed system, the pay and reward structure for non-teaching staff will be aligned with the "market-pay levels" on regular basis. In contrast, for teaching staff, there will only be a one-off market assessment of academic staff salaries, with downwards adjustments recommended merely for the "starting salary levels" of the respective academic ranks. Of course, one should take note of measures that will be applicable to ALL staff, regardless of their ranks and categories of service, but even the Steering Committee admits on p.14 of its Report that "those serving non-teaching staff whose salaries might need to be adjusted downwards would be hardest hit in this review exercise."

Secondly, Mr. Chairman, Panel Members, as far as I can gather there is one more dimension of interest in the pay and reward structure for staff which originated from the idea of "performance review". "Performance-based pay, rewards and promotion" is a key feature in the Steering Committee's proposal, even though the Steering Committee provides very few details about a "future salary adjustment mechanism", "one-off awards and special allowance" and "measures to alleviate to hardship on colleagues" that are to replace the current provision of fixed amount of annual increments along the pay scales. In any case, many of our internal Council Members hold positions of responsibilities and are known as "senior managers" in the existing Performance Management System. As a matter of course, they will stand to gain considerable personal influence as reviewers over their subordinates as reviewees under the new arrangements for a performance-based pay and contract review. We are not able to tell for sure what may come out of it. But one thing for sure, the Steering Committee does not propose similar performance reviews to be carried out by rank-and-file faculty and staff on the performance of the "senior managers".

Therefore, there appears to be strong indications of conflict of interest if University officers and academic staff voted in their capacity as Council

Members. In any respect, it is difficult enough for such Members to justify any proposal to retain their own personal income and benefits and/or personal influence at the expense of other, mostly junior and middle-rank non-teaching and academic staff.

Last but not least, in relation to the points mentioned above, I should also like to take this opportunity to draw your attention to the fact that the recommendations made by the Steering Committee have already been presented to, modified and endorsed by the Personnel Committee of Council. In point of fact, Mr. Chairman, the Personnel Committee of Council is composed of 14 members, of which 9 are University officers and senior academic and administrative staff, who cannot deny having a direct and personal interest in the proposed changes to the University's pay and reward structure. Therefore, it would be fitting to ask whether or not Members of the Personnel Committee had stated their interest in accordance with Section 16 (4) (a)-(b) of the Hong Kong Baptist University Ordinance and paragraph 21 of the Guidelines of Procedure of the Council so as to allow the Council to determine if Committee Members have satisfactorily fulfilled their legal and moral obligations regardless the modifications made and endorsement given to the recommendations of the Steering Committee by the Personnel Committee.

The aforementioned sections in the Hong Kong Baptist University Ordinance and the Guidelines of Procedures for the Council exist for good reasons. For external Council Members, it might not be instantly obvious. This is because Hong Kong Baptist University is not a family business or company with limited liability. The University is a public statutory body and each Council Member is therefore held accountable by law. Let's not ignore the spirit of law or pretend that we are not concerned.

Regrettably, the Council Chairman, Mr. Moses Cheng, simply ruled that Council Members needed not state any interest, nor did he consider it desirable to seek legal advice from the University Legal Advisor on such matters regarding declaration of interest at the committee level in this case so as to help Council Members to avoid making decisions on 23 June 2004 against the spirit of due process of law.

Memberships of the Council and the Council committees (as of current date)

Council Members:

- (a) Chairman, appointed by the Chief Executive -
Mr Moses M C Cheng² 鄭慕智, GBS, OBE, JP
- (b) Deputy Chairman, appointed by the Chief Executive -
Mr Wilfred Y W Wong² 王英偉, JP
- (c) Treasurer, appointed by the Chief Executive -
Dr Michael P K Wu⁴ 伍步高
- (d) 3 members nominated by the Baptist Convention of Hong Kong and appointed by the Chief Executive -
Dr Cecil Shu On Chan³ 陳樹安
Dr Chiu Hin Kwong³ 招顯洸, OBE, JP
Rev Sam H C Luk² 陸幸泉
- (e) 5 members appointed by the Chief Executive -
Mr Andy S C Lee² 李兆銓
Dr Lo Chi Keung⁴ 盧志強, BBS
Mr Mok Wai Kin⁴ 莫偉健
Mr Michael C C Sze² 施祖祥, JP
Mr Kennedy Y H Wong² 黃英豪, JP
- (f) 7 members, of whom not less than 4 shall have experience in commerce and industry in Hong Kong, appointed by the Chief Executive -
→ Mr Cheng Yan Kee⁴ 鄭恩基, JP
Ms May M G Fung² 馮美基
Dr Philip C K Kwok² 郭志權, SBS, JP
Dr Ronald Y C Lu² 呂元祥
Mr Raymond R Wong⁴ 黃應士, SBS
Mr Yeung Po Kwan⁴ 楊寶坤, OBE, OStJ, CPM, JP
Mr Paul K W Yip⁴ 葉國華
- (g) 2 members elected by the eligible staff of the University from among their number and appointed by the Council -

Personnel Committee

- Chairman: Mr Wilfred Y W Wong 王英偉, JP (Deputy Chairman of Council, *ex officio*)
- Deputy Chairman: Mr Raymond R Wong 黃應士, SBS
- Members: Prof Chung Ling 鍾玲 *
- Dr Leung Mee Lee 梁美莉 *
- Dr Lo Ping Cheung 羅秉祥 *
- Dr Ronald Y C Lu 呂元祥
- Dr Mok Man Hung 莫民雄 *
- Mr Michael C C Sze 施祖祥, JP
- Prof Herbert H Tsang 曾憲博 *
- Mr Kennedy Y H Wong 黃英豪, JP
- Dr Ricky N S Wong 黃岳順 *
- Mr Simon C H Wong 黃志漢 *
- Prof Ng Ching Fai 吳清輝 (President and Vice-Chancellor, *ex officio*) *
- Secretary: Mrs Karen K S Chan 陳羅潔湘 (Director of Personnel)✕

Source: Hong Kong Baptist University homepage
21 June 2004

* *Internal Members /
Employees.*

2. HKBU Faculty & Staff Union

The following suggestions by Dr Fred Chiu, a Staff Elected Council Member, were not given due consideration in the Council.

(1) Dr Chiu contended that it would not be advisable for the Chairman to designate the report to be provided by the Council Secretary and the ensuing Council deliberation as “Confidential” or “Restricted”. This is because (a) the Union has a membership of nearly 500 faculty and staff members of the University who have a direct interest in this matter and (b) given the considerable public interest regarding the Council’s position on the Union, it is only appropriate that the matter will be handled in an open and accountable manner, and

(2) Dr Chiu suggested that it would be advisable that the Chairman of the Hong Kong Baptist University Faculty and Staff Union or his representative be invited by the Chairman to attend that part of the said meeting when this agenda item is being considered. The Chairman of the Union should receive a copy of the said report in advance and be given a fair chance to respond to matters arising from the report prepared by the Vice-President and Council Secretary M H Mok.

However, the Council was hostile to the Union, with the Council Chairman and the Secretary (also the Vice-President of the University) recommending steps against the Union.

Meanwhile, there seems to be no way to ascertain the following issues:

1. Which University officer(s) is given the power under Section 29 of the HKBU Ordinance to issue/refuse to issue “the written authority of the University” to any person, company, or body corporate that uses the title “Hong Kong Baptist University”?
2. If the President & Vice-Chancellor is the answer, where exactly can we find the legal basis for such an arrangement?
3. Does the Council Secretary keep a full and accurate record of all organisations, bodies or entities that applied to “the University” or “the Council” for the use of the title of the University?

4. Can the Council Secretary tell the Council whether or not the Hong Kong Baptist University Staff Association, whose Chairman is known to be close to the Presidents, applied to use the title of the University? If the answer is yes: When exactly it happened?
5. Whatever the answer: The truth is: The Staff Association's Chairman Dr Stephen Chan was co-opted into the Steering Committee and the Working Groups, whilst a Union with a membership of nearly 500 faculty and staff has been shunned, its requests for open discussions with the President were neglected, its proposal to introduce a fairer pay and reward adjustment to deal with the financial uncertainty, if any, the University encounters was not even considered by the Steering Committee. One cannot help but wonder if all this constitutes a case of a systematic discrimination of the Union, which may now be forced to resort to legal and industrial actions.
6. Two legal letters were sent to the Union under the instructions of "the University". Who asked the University's Legal Advisor(s) to issue letters to the HKBU Faculty and Staff Union? (a) The Administration/President & Vice-Chancellor? (b) The Council Secretary? (c) The Council Chairman?
7. If (a): It is very unwise indeed to do issue legal letters to threaten legal actions against the Union. The University is now seen as the most intolerant employer in the tertiary education sector. It is also against the Christian spirit on which this University was founded.
8. If (b) and (c): The Council Secretary told Dr Fred Chiu in his reply to Dr Chiu's request for legal services that "should the Council agree to proceed to seek legal advice, then according to the normal protocol the Council would instruct the Council Secretary (or an office in the Council Secretariat) to approach the University's legal advisor accordingly and act upon the Council's advice." So under what circumstances the Council Secretary decided to depart from what he called "the normal protocol"?
9. Who are the University's "Legal Advisors"? Why two different law firms were employed? How much did it cost the University?
10. Moses Cheng's firm (Wu Pak Chun & Co.) is indeed the University's Legal Advisor. It is regrettable that the Chairman failed to declare his interest as soon as the commencement of this meeting regarding the

agenda item on the Union in accordance with the HKBU Ordinance and the Guidelines of Procedure. Worse still, there seems to be a serious conflict of interest for the Council Chairman's firm to act also as the University's Legal Advisor.

11. One of the Council Members who always likes to claim himself to be very close to the President & Vice-Chancellor told colleagues (on at least two occasions) that the Union was formed to campaign for the pro-democracy camp in the upcoming HKSAR Legislative Council elections. So can it be that the University Administration's hostility towards the Union was politically motivated?

12. For your information, at its Inaugural General Meeting on 3 May 2004, members of the Union adopted a 5-point position regarding the consultation on pay and reward structure reform: (1) Before it continues to consult employees on pay restructuring, the University administration should disclose information on the financial situation of the University so that colleagues can clearly understand the income and spending patterns of HKBU in recent years as well as the basis of future budgetary predictions. (2) The University Administration should disclose all information related to the market pay level survey conducted by the consultancy firm it hired so that colleagues can examine the principles, methods and empirical base of the survey. (3) the University Administration should explain to colleagues the legal basis of its proposals to change the existing pay and reward system of the University. (4) the University Administration should engage in direct dialogue with the Union as a representative body of University employees in its review of pay and reward structure. (5) the University should first adopt a uniform-rate salary cut to solve budgetary problems, if any, in 2004-05, to be followed by a thorough discussion to formulate longer-term policies to cope with financial difficulties. This evidence does not seem to support (the Council Secretary's / Stephen Chan's / President Ng's) reading of the intentions of the Union.

13. Why does the Council not simply bring the Union to court for failing to apply to the University to use the University's title?

Apparently, the University Administration and this Council would do better by recognising the Hong Kong Baptist University Faculty and Staff Union as a representative body of staff and faculty members of the University and instructs all University Academic and Administrative Officers to work together

with the Hong Kong Baptist University Faculty and Staff Union towards a harmonious and supportive work and learning environment regarding the proposals, the consultation, decisions, and the implementation of the on-going review of the University's pay and reward structure for staff.

3. The Role of Council in Changes of Terms of Service for new and serving staff since 2003 (Vice-President (Administration) & Secretary memo dated 18 March 2003 and Personnel Office Circular No: 7/2003 dated 15 May 2003).

Mr. Chairman, Panel Members, according to the Hong Kong Baptist University Ordinance (Chapter 1126, Laws of Hong Kong), the *Terms of Service* for employees of the University can only be changed with the approval of the Council, which is the executive body of the University. The law says...

**HONG KONG BAPTIST UNIVERSITY ORDINANCE
CHAPTER 1126, LAWS OF HONG KONG**

21. Power of the Council to delegate to the President and Vice-Chancellor

(1)

(2) The Council *shall not delegate* to the President and Vice-Chancellor the power to-

(a) approve terms and conditions of service of persons in the employment of the University....

To the best of our knowledge, Mr. Chairman, Council Members, the Council originally approved the *Terms of Service* that is currently in force on 2 June 1994. Since then, the Council has revised the *Terms of Service* seven times, the last one happened on 9 December 1999.

A proposal for a new pay and reward system was presented to the Council for approval on 23 June 2004. If approved, the *Terms of Service* would have to be revised accordingly.

Among the new ideas, the proposed salary and reward system includes a recommendation by the Steering Committee to replace “the current system of fixed amount of annual salary increment by a more flexible salary adjustment mechanism subject to financial ability and based on staff performance, having regard at the same time to changes in market pay levels and cost-of-living adjustment”.

Mr. Chairman, Panel Members, since 2003, however, the University already appears to have been able to exercise such powers to offer new appointments, re-appointments, substantiated appointments and appointments after

promotion a salary point on the relevant scale with further salary adjustment subject to performance review and availability of funding.

To quote from the Personnel Office Circulate No: 7/2003 dated 15 May 2003, (read the box below).....

Personnel Office Circular No:7/2003
Budget Planning 2003-05 and Human Resource Management
Guidelines
15 May 2003

Referring to the Vice-President (Administration) & Secretary's memo dated 18 March 2003 on the budget planning exercise for the years 2003-05, it was mentioned that a number of human resource management measures would need to be deployed in order to achieve the target savings of 5% in 2003-04 and again another 5% in 2004-05.

.....

4. As a first step, Deans and Heads of Departments/Offices are strongly encouraged to use the following measures, which could be implemented with immediate effect, in achieving the target savings:
- (c) Offering new appointments, *re-appointments, substantiated appointments and appointments after promotion* a salary point on the relevant scale *with further salary adjustment subject to performance review and availability of funding.*

What is not clear is whether or not the above-mentioned measure on salary adjustment for new and serving staff (*new appointments, re-appointments, substantiated appointments and appointments after promotion*) contradicts Clause 7.3 of the *Terms of Service*, which does not mention about "availability of funding". In point of fact, the relevant power vested in the President/Vice-Chancellor is described in the *Terms of Service*.

Any increments, if any, will be granted only if the appointee's conduct and diligence have been satisfactory. The President & Vice-Chancellor, in consultation with the appointee's Head of Department/Office, and Dean of Faculty/School as appropriate, has absolute discretion to withhold the award of increment whenever the conduct and diligence of an appointee have been reported to be unsatisfactory.

On numerous occasions the University's spokesman was approached by the media to comment on the apparent evidence of ultra vires by the Administration of Hong Kong Baptist University. However, the University spokesman failed to defend the Council and the University or to deny any wrongdoings. As this issue may almost certainly jeopardise the reputation of the University, clarifications must be sought from the Council for the following queries:

1. On 23 June 2004, the Council considers, among other recommendations, new salary adjustment measures that in fact have already been in use by the Personnel Office from the summer of 2003 on the basis of the aforementioned *Budget Planning 2003-2005 and Human Resource Management Guidelines*.
2. In the documents cited above, it is not clearly stated that the Council approved any changes to the terms and conditions of service of persons in the employment of the University in 2003.
3. In point of fact, the circulation of the *Budget Planning 2003-2005 and Human Resource Management Guidelines* was restricted to Deans, Heads, and Directors. One cannot hold it for certain that staff concerned were aware of the changes, let alone due consultation with staff on such a vital issue. In any case, the Administration seems to have unilaterally altered the Terms of Service for new and serving staff, which is not only appropriate but, as far as we know, also not allowed by the Law of Hong Kong.
4. Finally, and to return to where we start, we do not know whether or not such measures have been adopted by any office holders with the approved by the Council according to the Hong Kong Baptist University Ordinance, unless a satisfactory account can be provided for Council, and public, inspection.

Pending the results of the investigation, we would argue that the University Council should defer decision on the recommendations of the Steering Committee regarding the University's Pay and Reward Structure to a subsequent meeting.

4. Pay & Reward Structure for Staff:

Mr. Chairman, Panel Members, I would like to speak to explain why the Council should not rush to endorse the Steering Committee's recommendations. Instead, in our view, a re-run of the consultation is desirable.

First of all, according to Guidelines of Procedure of Council, working papers on agenda items should be delivered to Council Members seven days before the Council meeting. The Steering Committee's Report only reached Council Members on 18 June. While a preliminary discussion can be useful on 23 June, the Union and Dr Chiu have written to the Council Chairman several times to request deferral of decision on this item so that Council Members will have adequate time to digest the document and consider the divergent positions that will no doubt emerge during the discussion.

To turn to more substantive matters, Hong Kong Baptist University has no code of practice for consultation to ensure that so far as possible everyone concerned feels at least that their concerns and interests have been taken into account.

It goes without saying that open and accountable processes are the key to managing expectations of all stakeholders. A good consultation should aim at enhancing participation in a process of mutual education and joint problem solving.

However, with regards to the University's pay and reward structure for staff, what has happened thus far amounts to the traditional, paternalistic mode of decision-making which follows the sequence of (1) Decide on a course of action, (2) Announce the decision, and then (3) Defend the decision in the ensuing consultation in the face of dissenting views (DAD).

I would like to provide Panel Members with insights into the shortfalls of the consultation process and to recommend well-established international standards and measures for a re-run of the consultation which is widely expected by colleagues.

Problems Identified

1. An independent and professional facilitator who is regarded by all parties as neutral can usually benefit consultations. However, the presentation and subsequent consultations on the proposals were entirely handled by

the Personnel Office, which normally handles staff performance review and re-appointment matters. There were concerns about the appropriateness of such an arrangement. Moreover, colleagues attending the various consultation sessions testified that (a) vague and inconsistent answers were given to similar questions raised on different occasions, (b) the language used was not always clear and not free from unnecessary jargons, (c) the so-called consultation and sharing sessions were almost invariably begun with a long-drawn-out PowerPoint presentation by either the Director of Personnel and the Chairperson(s) of the Working Groups. Furthermore, the newsletters produced by the Personnel Office were mostly administrative notes and executive summaries rather than genuine attempts to communicate with staff concerned.

2. Full and honest presentation of relevant information is vital to consensus-building in any consultation. However, despite repeated appeals and requests by colleagues, the Steering Committee and its Working Groups have not been able to provide colleagues with comprehensive and unbiased information relating to the review, including the findings of the commissioned market survey(s), the actual financial situation of the University and all relevant factors considered in drawing up the proposals.
3. Mr. Chairman, Panel Members, I would like to point out that in Personnel Office Circular No:7/2003 “Budget Planning 2003-05 and Human Resource Management Guidelines” dated 15 May 2003, the Director of Personnel stated that “in the event that the human resources management measures fail to enable the Faculties/Schools/Offices to achieve the target savings in the 2003-05 years, the University will consider deploying more serious measures to cope with the situation. Such measures may include the possibility of freezing annual increments; reduction of staff benefits; pay adjustments of a certain percentage for all staff and/or renegotiation of contracts with staff on the basis of either a new salary and/or market pay levels.” During the consultation, however, the Director of Finance did not mention that the target savings in 2003-05 years were not achieved (perhaps he was not given authorisation to admit failures). While serving staff concerned still see no urgency to implement the so-called more serious measures, perhaps the University officials in charge did not explain if and why target savings were not met by the University Administration.

4. In a paper to the Legislative Council Panel on Education dated 21 June 2004, the Government Spokesman said “the Government respects the institutions’ decisions to introduce, if necessary, changes to their remuneration systems at their own pace. The systems may be based on the existing salary scales linked to civil service pay or on totally new mechanism; and the deregulation exercise is cost neutral. Institutions will not be worse off as a result of the exercise in terms of the public funding they receive. In other words, we can take time to consider various proposals carefully.
5. Nor were the accompanying components of the proposed pay and reward structure ever set out clearly. One cannot really ascertain after the so-called “consultation” the specific shape, procedures and criteria regarding (a) the future adjustment mechanism, (b) one-off awards and special allowances, (c) performance management system (d) conversion arrangements for serving staff, and (e) voluntary departure scheme. Well, the Steering Committee offers more consultation on these issues, which will be handled by the University Administration, but ironically it also sees fit to ask the Council to approve the proposed pay and reward structure even before it knows the details of the accompanying mechanisms.
6. By the same token, the consultation documents included little description of the methods proposed for consulting, evaluating and providing feedback. The actual methods of gauging views were never made clear, rendering a weak mandate for the proposal presented by the Steering Committee on 4 June 2004. In this respect, I would like to draw your attention to the President & Vice-Chancellor Ng Ching Fai’s solemn statement dated 10 May 2004 in which he pledged “to work with colleagues to arrive at a proposal which can balance the different points of view and is acceptable to the vast majority of the staff members.”
7. A number of significant new options and recommendations emerged from consultation, which quickly gained support in the University. Some of them are indeed reported in the Working Groups’ newsletters, particularly a number of temporary measures (as opposed to structural changes) to deal with the financial difficulty, if any, that the University encounters. During the consultation, staff members were led to believe that the Steering Committee would consult again on them. In fact, the Steering Committee has yet to respond to views or recommendations put forward by colleagues. Was each recommendation by colleagues

accepted in whole or in part, or was it rejected? For each outcome, it is highly advisable that the reasons for the decision are made clear and made publicly available. Naturally, staff are disappointed to learn that the consultation had been ended so abruptly.

Results of Public Opinion Surveys by HKBU Faculty & Staff Union and HKBU Staff Association

Mr. Chairman, Panel Members, it should be noted that the proposed pay and reward structure by the Steering Committee on 4 June is the same as the original proposal outlined in the consultation documents of 1 April. It may well be because of the convincing arguments of members of the Steering Committee, but it may also be because of views different from their own were simply ignored.

I have prepared some copies of four sets of surveys to find out which is the truth. Two of the surveys were conducted by the HKBU Faculty & Staff Union, which has a membership of nearly 500 members. The remaining two were conducted by the HKBU Staff Association, whose Chairperson Dr. Stephen Chan has been co-opted into the Steering Committee and the Working Groups with the blessing of the University Administration.

These surveys should provide the Council with excellent yardsticks to evaluate the effectiveness of the consultation as well as the level of staff approval for the Steering Committee's recommendations that the Council is expected to endorse this evening.

Unfortunately, the findings tend to confirm that the problems I identified above are prevalent. Even adopting the most sympathetic stance towards the Steering Committee's recommendations, one cannot really say, and to paraphrase President Ng's solemn pledge, that the proposal "is acceptable to the vast majority of the staff members." The adoption of the proposed pay and reward structure by the Council under such circumstances will amount to a gross violation of nature justice.

Perhaps the best way to ascertain the popularity of the proposed changes is to appoint an independent and professional specialist to recommend a code of practice for consultation and joint problem solving between the management and the workforce in accordance with well-established international standards and measures, to be considered at a subsequent Council meeting.

Evaluation of the First Round of Consultation and Recommendation

Mr. Chairman, Panel Members, the aforementioned comments were developed in a consultative manner drawing on the experience and input of colleagues from different academic departments, administrative units, and the student community at large. Should we fail to consider colleagues' opinions, I am very concerned that the openness and accountability of the Council, as the executive body of the University, would be impaired, and the Council will stand accused of granting privileged access to the University Administration.

In all, a modern culture of consultation has yet to be developed in the leadership of Hong Kong Baptist University. As a result, the works of the Steering Committee and its Working Groups are seriously inadequate in relation to the following aspects:

1. The level of satisfaction of all participants in both the process and outcomes;
2. The level of trust amongst stakeholders; and
3. The degree of mutual understanding of stakeholders perspectives.

In the end, I must ask myself: Why would one be expected to support ANY proposal that (a) is not properly justified by the Working Groups, (b) begs more questions than answers, (c) contains very little information as to how its crucial accompanying mechanisms will actually be worked out, (d) did not gain the understanding of a vast majority of the staff concerned, and (e) has already detrimentally affected morale of the 1,300 staff and many more depending on them?

Mr. Chairman, Panel Members, the benefits of genuine consultations cannot be overstated. It means Council Members are better placed to make informed judgments that carry greater credibility in the academic community at this University and beyond. It can also lead to partnerships through a shared sense of ownership of the pay and reward structure review that impact on the University as a community.

Dr Fred Chiu tried but failed to convince to Council Members to instruct the Steering Committee to follow the highest international standards and best practice in a re-run of the consultation. In so doing, they would help create a stronger and more energetic workforce for Hong Kong Baptist University.

In our view, the Council should have simply resolved to refer the Steering Committee's Report to the Council back to the Steering Committee and its two Working Groups in order to prepare a new round of consultation immediately after the summer vacation regarding the guiding principles, the proposed new pay and reward structure, the recommendations of the Steering Committee, and any outstanding issues and in accordance with well-established international standards and measures. The Council should have resolved to defer decision on the recommendations of the Steering Committee to a subsequent meeting.

A Set of Questions

III. Guiding Principles

- 1. The new system is set to address the issue of “continual funding reduction from the government” (Paragraph 10 of the report). And it is reported that the solution, according to the Steering Committee, lies in increasing “flexibility and cost effective use of resources in the University’s pay and reward structure for the staff.” The questions are:**

(a) Would the officer in charge tell this Council how the proposed system of pay and reward help solve the problem of funding reduction by showing us how much money will be saved up after implementing the proposed structure?

(b) If cost-effectiveness is a consideration for whether or not we adopt this new plan, will the officer in charge inform this Council how much extra money or resources will have to be spent each year on running this new system?

(B1) (The Cost of Appointing a Consultancy Firm: How much exactly this university has to pay the commissioned consultancy firm for designing this proposed reform, and how much to the firm to follow up the implementation of the proposed measures? Would it be more economical and effective to the coping with structural deficits if we had not contracted out this job to a vendor? Even if we can handle the implementation of the proposed change by our current staff, would it be too costly? Also, has the working group ever considered the morale issue of the staff members when they have to face the uncertainty caused by the system change?)

(c) The problem of funding reduction is nobody’s fault as far as HKBU’s faculty and staff is concerned. Will it be fair that each and every member of our staff should shoulder a fair amount of burden for the financial deficit of the University as a whole by enforcing an across-the-board cut at a uniform rate? Did the Steering Committee consider that across-the-board cut is the most effective rate to deal with the problem of “continual funding reduction”?

(d) If the funding cut is the result of anybody's fault, it is the fault of the senior management not being successful in stopping Government's budget cut or a cut disproportionate to the magnitude of adjustment of public expenditure. Could the proposed system be instrumental in preventing similar problems from happening again? Will an anti-wastage unit be set up to do the job?

(e) I think we are serious about cost-effective use of resources. To achieve this aim, does the Steering Committee also look into how the pay and reward system could guard against wastage or inefficient use of resources by heads of academic departments and administrative offices as well as our senior management?

2. It is said in the report that we should build a system that can retain good quality staff, reward performing staff and produce a harmonious and supportive environment. The questions:

(a) As far as monetary reward is concerned, recruiting and retaining good quality may require our university to lead rather than follow the market price. To what extent above the median market price are we prepared and able to offer to a good quality staff (median+50%, 75%, 100%, 200%,.....)? Does the upper limit of these good offers differ between teaching and non-teaching staff?

(b) When the report says the system would reward performing staff, it supposes that the existing system is not doing well enough in this regard. It means, among others, that non-performing staff gets rewarded but performing staff may get unrewarded or not adequately rewarded. Could the Personnel Director inform this council how true the case is by showing us, to your estimation, how many staff members get reward they do not deserve and how many cannot get reward they fully deserve?

(c) Paragraph 11(b) may imply the existing system is not able to reward performing staff. To your estimation, how many staff have not been adequately rewarded?

(d) Nowhere from the report suggests that the new system is not applicable to all staff of HKBU. And I suppose the new system will be applicable to all colleagues from the President to janitors. Could the Steering Committee clarify if I am wrong? If not all are included, who are/is the exception(s)? For those excluded, if any, how are they to be appraised and how their performances are to be rewarded or punished?

(e) As 30% of staff are judged to be taking pay above the market price and their salaries are likely to be cut up to 18%. They are seen to be targeted for shouldering the financial burden resulted from government budget cut that is nothing of their fault. Could the Personnel Director inform this Council that such an unfair treatment could promote a harmonious and supportive work environment?

IV. Strengths and Weaknesses of Current Structure

- 1. It is said in the report that staff enjoys an “almost automatic” increment. Of 1300 staff members, could the personnel director inform this Council how many staff members did get an increment in 2003-04, how many have already reached the maximum point of their pay scale and how many have been barred before they reach the maximum point?**
- 2. The existing system is said to have the advantages of “providing uniformity, stability, security and transparency.” Could the Personnel Director inform this Council how well our staff have been performing under the existing system? There have been regular assessments of the staff. In order to get a better understanding of the good and bad of the existing system, could the Personnel Director inform this Council how many have been graded as satisfactory, excellent, fair, poor, or others in these assessments?**
- 3. Paragraph 14(b) and 15 suggests that once the new system is introduced, staff could receive better terms of service than those comparable ranks in the civil service if they perform well. Could the Steering Committee clarify for this Council if we are financially affordable to reward all staff if they all perform well?**

4. The Steering Committee wants to establish a rational basis of the pay scale in terms of internal relativity and external comparability.

- (a) Could the Steering Committee explain how to make HKBU comparable with other companies surveyed by the consulting company? Could the Steering Committee release the full report to the Council or interested members of the Council in order to make known (1) how the salary ranges are compiled and (2) how comparability can be established (what companies are included and what percentage of what kinds of company take in the calculation of the salary ranges...)?**
- (b) How internal relativity of different jobs within the university is measured and ascertained? Existing staff members have worked a number of years and successfully taken personal assessment before they come to the present position. Could the Personnel Director clarify whether or these are means to check internal relativity?**

5. Paragraph 16 points out the existence of a dual track system of pay and reward system in civil service. While new colleagues enjoy a less favorable terms, serving staff is mostly unaffected. Could the Steering Committee inform this Council why government and semi-government institutions apply the new system to new staff only?

6. In paragraph 18, the Committee proposes to move towards performance-linked pay system. Are all staff members to be invited to join the new system, including our Presidents and Vice-Presidents? If yes, how are they to be assessed and appraised by whom? If not, why are they not put under the same new rule with other colleagues?

V. Proposed New Pay and Reward Structure

Merging of Grades and Ranks:

The proposed merging of different grades and ranks seems to be arbitrary as the required knowledge, skills, educational levels and other factors for each grade or rank are not be compatible to each other. The consultancy firm simply proposed this on the basis of convenience. **Will it result in irrationalizing, not rationalizing the staff structure?**

Question of Competency:

The proposed system portrays or designs the staffing establishment based on a new set of general criteria. It is rather obvious that one general list of criteria can not fit dozens of grades and ranks from Administrative Officer to Workman II, or from driver to secretary. The general idea of having a single set of criteria simply does not work well for an organization with a diversity of employees. **Could the Steering Committee think that there is a need for more thoughtful consideration and consultation?**

Weighting of Grades and Ranks:

The current personnel system is based on merits; i.e. educational level, experience, year of service, attitude in work and performance. The weighting of grades and ranks of the new system is rather problematic when different grades and ranks are merged arbitrarily for convenience's sake. The implementation of the new system may not be able to fulfill its original purpose if so many problems and controversies are found in the planning stage. **Will the Steering Committee first map out who can hold which rank and consult staff members and submit again to the Council for approval? Otherwise, it may cause more disputes and conflicts among staff and employees.**

People who will be affected:

Again, there are conflicting messages about who would be affected and who are not in this reform exercise. Different personnel officers or representatives give different interpretations of the proposed change and only this induces tension, fear and frustration. The university needs to announce formally how many individual employees, or perhaps which rank or grade would probably be affected if all the proposed changes are adopted. **Does the Steering Committee think that it should announce who will be affected by the new system and how much they will be affected? Should the Steering Committee think that more thorough consultation should be carried out for the grades and ranks that may have more people being affected by the change?**

Performance Appraisal and Incentives:

Members of the working group and the consultancy firm may believe that performance appraisal is something technical; thus, can be separated from the design of the system. Actually, it cannot. Individual employees comment and respond to the proposed new system by considering both the structure of grades and ranks with the appraisal system. The general concern is that without an effective and objective appraisal system, the performance of individual staff members or employees will not be fairly appraised. Eventually the subjectivity of superiors is the only criteria or reference. The performance-linked pay system will fail. **Would the Steering Committee first propose a appraisal system, consult the staff and get it settled before it come back to the Council for discussion and decision? Incentive payments together with positive commendations are actually outcomes of performance appraisal. A questionable appraisal system may lead to an unfair rationing of incentive payments and inappropriate praises to the wrong person, resulting in credibility crisis of the system.**

Problems related to Consultation

Options and Alternative Choices:

Any proposal of change should provide options and alternative choices to current staff members or employees. The recent proposed system so far fails to provide any concrete and tangible options. **If the proposed but not ready Voluntary Departure Plan is an alternative to endorsing the new system, would the Steering Committee make the plan in full and presented to this Council as part and parcel of the new pay and reward system for discussion and decision? Otherwise, individual staff members or employees are provided with no choice.**

Urgency of Implementing a System Change and thorough Consultation:

There were different sayings about the urgency of implementing a system change. The President said there will be no deadline for consultation. And Prof Lai also promised us a second round of consultation. **Would it be necessary to implement changes for both teaching and non-teaching staff at such a great haste? Do we care about the value of keeping one's promises?**

The current legitimate expectation of staff and employees in this stage is to be thoroughly consulted on this matter. There should be more assemblies for all grades

and ranks, or schools and departments so that individual staff members or employees would have a chance to express their concerns, raise any questions and they all deserve reasonable respect and honest answers.

Q.1. The True and Real Picture of the Financial Conditions :

The fundamental question is how bad really are the financial conditions of this University? Would it simply mean a temporary or short-term deficit? How much we have in the reserves of the University, would it be helpful if the interest generated from the reserves are channeled to the operational accounts?

Q.2. The Structural Deficits:

The working group stressed that there are structural deficits. Why the financial controller has just recognized these deficits lately? Again, how much would it imply this year and in the coming years?

Q.3. Incremental Credits as a Main Cause for Structural Deficits:

If the major structural deficit is stemmed from the incremental credits of each grade or rank, why the financial controller has just identified this cause lately? Would it be easier to simply freeze the incremental points of staff members for a few years instead, if it is the major cause any way?

Q.4. Measures to Cope with Financial Constraints:

Having a structural reform on the personnel system of this university is only one of the means to cope with financial constraints. How about fund-raising campaigns, or the launching of more self-financing courses, or even strategic investment of the university reserves? More importantly, should we jointly fight for more resources from the Government?