

No. 577/2019

7th October 2019

For the Immediate Attention of All:

Postal Branches
Divisional Representatives
Area Processing Representatives

Dear Colleagues

PRICE WATERHOUSE COOPER – OPPORTUNITY MODEL

Branches and representatives will be aware that Royal Mail previously engaged Price Waterhouse Cooper (PWC) in 2016 to advise their managers of activity utilising the "Opportunity Model" in Mail Centres (LTB 609/16 attached).

The business has now informed the department that it is their intention to undertake further activity involving PWC at the following Mail Centres:

- Nottingham
- Medway
- Newcastle
- Chester

As previously conveyed it is entirely a business decision to engage a third party and was not a matter of consultation or agreement with the Union.

That said we believe that it is essential that the activity is monitored by our representatives to ensure, in line with our agreements that we continue to have full involvement in any proposals that may be developed as a result of the activity.

The business has confirmed that the principles as issued previously via LTB 609/16 will continue to be applied. The department would therefore recommend that representatives engage with the business in order that the nature of the specific activity at each site is fully understood and can be monitored, ensuring that all relevant agreements are being adhered to.

We would reiterate however that any workplace changes that are identified or proposed as part of the Opportunity Model should be progressed in line with the IR Framework and existing agreements.

Any enquiries in relation to this LTB should be addressed to Davie Robertson, Assistant Secretary, email: dwyatt@cwu.org or shayman@cwu.org quoting reference number: 052

Yours sincerely

Davie Robertson
Assistant Secretary

No. 609/2016

17th October 2016

For the Immediate Attention of All:

Postal Branches
Divisional Representatives
Area Processing Representatives

PRICE WATERHOUSE COOPER – OPPORTUNITY MODEL

Dear Colleagues

Branches and representatives will be aware that Royal Mail has recently engaged Price Waterhouse Cooper (PWC) to advise their managers in activity utilising the "Opportunity Model" in Mail Centres. Royal Mail has developed the Opportunity Model to assist managers in identifying opportunities to re-establish standard layout and operating procedures and apply business as usual (BAU) processes to improve the efficiency of the plant.

This business decision to engage a third party was not a matter of consultation or agreement with the union. However, following a number of enquiries from the field in regard to the role of PWC the department has sought clarification on the nature of the PWC activity and assurances that their involvement does not affect nationally agreed processes for the consultation and negotiation of workplace change.

The department therefore wrote to the business and following a subsequent meeting received written assurances that PWC's remit is solely to assist Royal Mail in identifying where the application of the Opportunity Model may be of benefit. Any projects or proposals identified by the plant team after reviewing the spreadsheet will become part of the unit's business plan, which will be the subject of consultation with the CWU in line with the terms of the IR Framework.

The business has also confirmed in correspondence that the following is the advice that has been communicated to their managers in relation to the role of PWC:

- 1. To help educate team in understanding the opportunity model*
- 2. To help coach your team in how to use the outputs from the model to focus attention in the right work areas*
- 3. To coach your team in how to review the selected work areas, observe the operation and undertake root cause analysis to help identify the causes of loss. This activity is supported by Industrial Engineers and other RM operational managers*

4. *Alongside the IEs, to coach the plant team in the undertaking of activity and observation sampling*
5. *To help you and your team to turn the root cause analysis into meaningful action plans which can be deployed in a relatively short space of time.*

The PWC team are not in your plant to undertake any of the following:

1. *Manage either your management team or front line staff*
2. *Direct your management team or front line staff*
3. *Lead on team briefings or huddles, although they can be called upon to assist these*
4. *Lead consultation with the staff representatives*
5. *Provide industrial engineering skills and/or advice.*

If members of your front line team do not wish to engage with the PWC team members when on site that is their choice and they will not be forced to engage. Similarly if staff representatives do not want to engage that is also their prerogative. However, if either members of the front line or their representatives do approach the PWC team they will respond in a positive and cooperative manner.

Throughout the process, the Mail Centres will have support from the IEs and the support from CWU IEs is also welcomed as with all BAU activity.

Any recommendations that come out of this process will form part of the unit's business plan and will follow the BAU process and discussion with the CWU, in line with established IR arrangements and agreements.

It is anticipated that the activity will be rolled out to all Mail Centre sites and at the time of writing we have been informed that Opportunity Model activity has commenced at the following:

Manchester	Edinburgh
Warrington	Home Counties North
Birmingham	Southampton
Medway	Glasgow
Romford	Bristol
Leeds	Northern Ireland
Swindon	Newcastle
London Central	

Activity is due to commence this week at Jubilee, Nottingham and Chester.

The department would recommend that representatives engage with the business and PWC in the Opportunity Model, in order that the nature of the specific activity at each site is fully understood and can be monitored, ensuring that all relevant agreements are being adhered to. We would reiterate however that any workplace changes that are identified or proposed as part of the Opportunity Model should be progressed in line with the IR Framework and existing agreements.

Should any Branches or representatives require the assistance of a CWU Industrial Engineer you are requested to contact the department in order that the relevant arrangements can be made.

Branches and representatives should note that additional activity involving PWC under the banner of ZBB or AVA in relation to the review of non-operational functions is separate from this activity. At present the ZBB/AVA activity is the subject of National discussions.

Any enquiries in relation to this LTB should be addressed to Davie Robertson, Assistant Secretary, email: dwyatt@cwu.org or shayman@cwu.org quoting reference number: 052

Yours sincerely

Davie Robertson
Assistant Secretary

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