

# Minutes

<b>Subject:</b>	Meeting in Liaison committee
<b>Date:</b>	23 March 2023
<b>Place:</b>	Microsoft Teams
<b>Participants:</b>	Peter Møllgaard, Mads Lildholdt, Klaus Hollmann, Charlotte Flyvbjerg, Simon Jebsen, Gitte Storgaard Klausen, Ann Skovly, Karsten Boye Rasmussen
<b>Cancellations</b>	Hanne Søndergaard Birkmose,
<b>Reporter:</b>	Line Troelsgaard Olsen

30. marts 2023

Peter Møllgaard informed the Liaison committee about the economic situation of the University.

SDU's overall finances are under pressure due to the decline in the student intake in recent years and increased economic uncertainty in the national economy, resulting in rising prices, interest rates and costs.

In the autumn of 2022, SDU's management launched a series of measures to curb the University's costs through a controlled slowdown in three stages:

1. A reduction in rental and building operating costs (approx. DKK 20 million annually over the next 3-4 yrs.)
2. Disposition limit in 2023 (DKK 36 million).
3. Assessment of the situation and decision on further action once application figures for quota 2 are known.

The assessment after the quota 2 application figures is that the overall decline in recent years student enrolment seems to be slowing down. However, the forecast for student enrolment in 2023 also indicates that SDU will not regain the level of annual enrolment seen in 2017–2020 and will not regain the previous expectations for educational revenue.

The forecast encompasses large differences across the individual study programmes, faculties, and campuses.

The management has assessed the overall financial situation considering the above challenges. The management has decided to adjust the University's finances by DKK 95 million per year from 2024. The adjustment need corresponds to approximately 2.8% of SDU's total revenue in 2022.

Peter Møllgaard continued with an assessment of financial situation at the Faculty.

The Faculty's total adjustment need amounts to DKK 14M in 2024, increasing to DKK 30M annually in 2026 and 2027.

SDU BSS's management strives to ensure that the adjustment is realised considering the continued high quality of research, an attractive and relevant education portfolio, an efficient administration, and a sustainable regional presence in all campus cities.

In the longer term, the faculty management expects that the targeted strategic initiatives in EVU and external funding can partially compensate for the expected decline in full-time educational revenue.

Due to the scope of the adjustment, SDU and SDU BSS's management cannot exclude the possibility of unsolicited redundancies.

Management will implement mitigating measures to reduce the number of unsolicited redundancies, e.g. through operational savings and voluntary redundancy agreements.

Josephine Lethenborg from HR informed about the concrete process.

The Liaison Committee had the following questions and remarks.

- Will the faculty be compensated for the withdrawal from Slagelse as the economic savings seem to be primarily at university level, whereas the involved departments have a decrease in income. Peter Møllgaard informed that the departments are looking into the economic effects, but there will not be a compensation from SDU.
- We need to ensure the work satisfaction among the colleagues, who are not affected by the unsolicited redundancies. Management needs to prioritize tasks to ensure that the work pressure of the remaining colleagues is not simply increased.
- How will the situation affect open positions and salary negotiations? Peter Møllgaard replied that it is possible to continue recruitments which are already in process, but new openings need to be approved. The committee emphasized that hiring and firing at the same time should be kept to an absolute minimum. The salary negotiations which are in process will continue, and the remaining will be postponed. Any increase in salary is applicable from the original date.
- How will be the management future prove the faculty to prevent a similar situation in few years? The management also needs to ensure healthy departments and administration which are affected by the economic situation in very different ways. Peter Møllgaard ensured that the Faculty Management and Heads of departments are in close dialogue, but for now we need to await the result of the mitigating actions.

The further process is as follows:

- From 23 March until 14 April: During this phase, employees may reach out to their union representative, immediate manager, or Human Resource Service if they want to discuss a voluntary resignation, senior scheme, or the like.

- 14 April to 21 April: Any agreements on voluntary redundancies or special schemes for senior employees are concluded.
- 21 April to 24 April: The Executive Board assesses the need for further adjustments.
- 25 April: Announcement of the outcome of the mitigation phase and the possible need for further adjustments.

The Liaison committee will be informed and involved in the further process.

The Liaison committee asked that the process for announcement of unsolicited redundancies is carefully considered, as it is a very difficult day for all employees. It would be a good idea to prepare all employees on how they can talk with their potentially affected colleagues.