

CONSULTANCY ACTIVITY

Section	Human Resources		
Approval Date	29.06.09	Approved by	Directorate
Next Review	As required	Responsibility	Chief Executive
Key Evaluation Question	6	ITPNZ Quality Standard	3

PURPOSE

To provide a framework for the involvement of staff in consulting activities beyond the normal core business of the Nelson Marlborough Institute of Technology (NMIT).

SCOPE

All NMIT staff.

DEFINITIONS

Consultancy	Work undertaken for a sector or business other than the institute and where the primary beneficiary is other than the current students of NMIT.
Core business	Work associated with providing services within NMIT where the primary beneficiaries are the current students of the institute. The work associated with a staff member's contract of employment with NMIT.

RATIONALE

The involvement of staff in consultancy is encouraged by the NMIT because it provides an opportunity for staff to keep their professional skills current and to develop new skills. It also provides an opportunity for staff to seek some refreshment from normal activity, for close contact with their industry or the opportunity for travel and experience best practice.

NMIT also benefits from the additional revenue which such activity brings, and this aspect is becoming increasingly important as other forms of revenue diminish.

It is important that a balance is kept between consultancy activities and attending to the success of the core business of the institute so that quality does not suffer because staff are either overextended or are placing their energies away from this core business.

POLICY

Consultancy activity undertaken by staff should not be at the expense of core NMIT business – the management and delivery of high quality learning to students.

1. Activity should be targeted to provide demonstrable benefit to NMIT as well as the staff member and not expose the NMIT to undue financial or other risk such as accident, sickness, or professional negligence.
2. For full time staff, activity which is related to NMIT's core business should be carried out under the aegis of NMIT unless otherwise approved by the Directorate member..
3. The primary responsibility of staff, during the period for which they are employed, is to NMIT as their employer and any other remunerated activity which they undertake should be declared to their manager as not presenting any conflict of interest.
4. An individual employment arrangement for consultancy work negotiated with an individual staff member is confidential to that staff member and the staff member's line manager. A record of all activities must be kept on their personal file.
5. The ownership of any intellectual property involved should be agreed in writing between the staff member and NMIT. (Refer: *Intellectual Property*)
6. Part time and proportional staff often have other employment commitments. The key issue for such staff is the declaration and avoidance of any conflict of interest.

OPTIONS

Consultancy activity by full time staff will be carried out with NMIT as contractor unless specified otherwise through written agreement.

NMIT AS CONTRACTOR:

1. Contracts must be negotiated by a Directorate member or Allied Manager/Head of School under appropriate delegation with advice sought from the Director of Finance and Corporate Services.
2. Contracts between NMIT and the client organisation for consultancy work must be signed prior to contract commencement by the Chief Executive unless there are exceptional circumstances.
3. Revenue from the contract will be credited to the unit or school concerned.
4. Staff who are involved in carrying out the project concerned may negotiate one of the following options with their manager:
 - a. Treat the consultancy as part of normal workload with other duties (eg timetabled teaching hours) reduced accordingly. The unit/school employs relief staffing (if required) from contract revenues. For offshore work, an appropriate per diem*/coverage of living costs, or reimbursement of expenses, related to the contract is also payable. For offshore work a higher duties allowance of up to 20% of the daily rate charged the client by NMIT may be paid to the staff member. The staff member retains all normal leave entitlements.

- b. Treat the consultancy work as above normal full annual workload and undertake while on annual leave, provided that a minimum of four weeks annual leave is still taken in accordance with the Holidays Act. An appropriate proportion of the daily rate paid to NMIT would be negotiated in conjunction with the payment, for offshore work, of per diem/living costs or reimbursement of expenses. (Note that discretionary leave cannot be designated for consultancy work.)
- c. Another arrangement negotiated as part of a staff member's individual employment contract.

*Per diem - daily allowance to cover expenses.

FULL TIME STAFF MEMBER AS A CONTRACTOR:

This arrangement may present a conflict of interest if the work has arisen as a result of the employee's association with NMIT. Agreement to undertake the consultancy work shall be reached with the Directorate member and the following shall apply:

1. The nature and scope of the work shall not conflict with NMIT and shall be declared to the Directorate member involved with the reason for NMIT non involvement stated.
2. The consultancy work shall be undertaken in the staff member's own time if of a continuous nature or while on approved leave without pay* and undertaken at such time as to reduce the impact on NMIT. Adequate notice (eg six weeks) must also be given to the managers of the work areas involved.

*Approved leave with pay may be considered.

3. The work must be carried out in such a way that the business of NMIT is not jeopardized, operations are not inconvenienced and the work performance of the staff member is not impaired.
4. All resources required will be supplied by the staff member concerned, and any direct or indirect costs incurred by NMIT will be as a result of prior arrangements agreed with NMIT and will be reimbursed by the staff member within one week of these costs being invoiced.
5. A contract should be signed which excludes the NMIT from any liability for sickness, ACC costs, accident or professional negligence arising from the contract and the staff member shall be responsible for arranging suitable insurance cover.

REFERENCES:

INTERNAL

Staff Involvement in Outside Business Activities
Intellectual Property