

Statement

No. AG2022/5615

Fair Work Commission

Justin Gusset

Applicant

Apple Pty Limited

Employer

Statement of: Gretchen Kohler

Address: c/o Level 3/20 Martin Place Sydney NSW 2000

Occupation: Workforce Management Business Analyst

Date: 8 June 2023

I, Gretchen Kohler, say:

1. I am employed by Apple Inc in the position of Workforce Management Business Analyst and commenced in this position August 2020
2. I am aware that an application has been made to the Fair Work Commission to terminate the *Apple Retail Enterprise Agreement 2014 (Retail EA)* which covers Apple Pty Ltd in Australia (**Apple**) and its retail employees.
3. I have been informed, and verily believe, that the *General Retail Industry Award 2020 (Retail Award)* would otherwise cover Apple's retail employees.
4. Since 8 March 2023, I have participated in a project for Apple to learn about and plan for the potential implementation of the Retail Award for Apple and to assess when and how our systems could be ready to successfully implement the Retail Award.

My estimate of time required to implement the Retail Award

5. For the reasons I set out in this statement, I am of the view that Apple, operationally, could not transition retail employees from the Retail EA to the Retail Award before 1 August 2023, and could not do so before any consultation process was completed by Apple with its agreement-covered employees.
6. Following the completion of the consultation process, I estimate that a further two weeks would be required to upload and verify new data of employee scheduling and availability

Filed on behalf of	Apple Pty Limited
Prepared by	Kerry O'Brien
Law firm	McCullough Robertson
Tel	(02) 8241 5617
Email	kobrien@mccullough.com.au
Address for service	Level 32, 25 Martin Place Sydney NSW 2000

within the Retail Award system. This period of time is to ensure that the correct information about each retail employee, and the outcomes of consultation, are captured and corrected entered into the system.

Revert to Retail Award

7. In late April 2023, a project team of cross-disciplinary employees from different functions and teams at Apple was formed to commence an assessment of Apple's systems and processes that may be impacted if the Retail Award covered its retail employees.
8. This has included colleagues in the Legal, Retail Operations, Benefits and Compensation, Employee and Labour Relations and People Business Partners as well as project management employees. I am part of this team and have attended all meetings and progressed some aspects of the work myself.
9. As a large, multinational organisation, Apple has complex and integrated systems for our employee information and human resources management, including our workforce management systems, payroll system and benefits system.
10. The purpose of the assessment was to understand what the applicability of the Retail Award to otherwise agreement-covered employees would mean for Apple's retail business from a systems perspective, and what modifications to Apple's internal systems would be required to comply with the Retail Award.
11. Apple has completed its assessment which identified specific requirements in the Retail Award that would require new or changed functionality throughout Apple's systems.
12. When I say functionality, I mean software and system features, inclusions and pay types, as well as the configuration and integration between different systems.

Project timeline and estimate of system readiness

13. The project team is working towards a tentative date of 1 August 2023 to ensure Apple's systems could be ready to implement the Retail Award.
14. Between April and early June, the project team has completed a significant volume of work to:
 - (a) scope and plan the project;
 - (b) completed core tasks associated with set up and development of new or changed functionality throughout Apple's systems; and
 - (c) re-evaluated the length of time needed for the remaining tasks in the project.

15. As at the date of this statement, the project is preparing for and commencing user acceptance testing.
16. User acceptance testing requires Apple to establish a separate and independent production environment in parallel to the operative systems. This means that Apple's current systems are still in use and relied upon for the usual day to day work, and a testing environment which mirrors the current system is set up to allow testing of the new or changed functionality to happen.
17. Selected Apple employees from relevant teams are granted access to carry out testing. This testing includes specialist work to play out different scenarios that reflect how employees are rostered, are paid and have employee records captured.
18. This will commence from 3 July 2023 and will last until 28 July 2023.
19. This is the shortest period possible. I say this because there are practical limits to the reduction of testing activities. For example, if gaps or glitches in one fortnightly pay cycle appear in the testing environment, these must be identified and remedied in the next pay cycle; it is not the case that testing could be eliminated from the implementation plan, and it cannot be shorter than 4 to 6 weeks, otherwise the testing exercise will be inadequate and incomplete.
20. The testing period is due to end on 28 July 2023, with the Retail Award systems ready to implement from 1 August 2023.
21. Initially, this testing period was a longer period of time; however, due to additional time required by the tasks involved in the earlier phase, the testing period was condensed. For the reasons above, it cannot be shortened any further without weakening the integrity of the Retail Award-ready systems.
22. Following this testing phase, a cutover between systems occurs. A cutover is the transition point from which Apple would cease its use of the existing system and convert to the Retail Award-ready system for use by the business as its mode of operation. This will happen between pay periods at the end of July and in early August 2023.
23. The first full pay period that the Retail Award-ready system would be available 29 July 2023 to 11 August 2023.
24. I am aware that Apple would carry out a detailed consultation process with agreement-covered employees in the event that the Retail Award would apply to their employment. Apple would not be in a position to initiate this cutover between systems unless and until all other legal and industrial relations compliance measures including consultation was completed.

25. After this time, a final phase known as a warranty phase occurs. A warranty phase is a period of heightened monitoring to identify and functionality issues. This will last for at least a 4 week period. During this phase, employees could be scheduled, paid and otherwise managed in accordance with the Retail Award.

Signature of witness


