

WORKING with REDUNDANCY

An overview of best practice guidelines.

Alternatives to redundancy:
reviewing the options.

The legal side:
following a fair and legal process.

Employee engagement:
for future success.



Lyonsdown 
media group

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Career self-ownership

Now more than ever, people are feeling that they need to take control of their careers to achieve career leverage.

Ownership of careers was largely, in the past, left to in-house learning and talent management professionals, focused primarily on internal succession. Organisations which recognise this shift to personal ownership and invest wisely in developing career self awareness, will achieve valuable ROI via enhanced reputation, higher engagement levels and reduced redundancy, re-hiring and onboarding costs.

It seems naïve today to even mention a psychological contract between employers and their employees. As the world reels from the personal impact of recession, with high volumes of redundancy at all levels, black holes in pension funding and instability across some of the world's largest organisations, the relationship between companies and their workforces have fundamentally changed.

“Employers need to work harder at maintaining relationships”

According to Clayton Glen, Director at HDA Associates, “employers need to work harder at maintaining relationships, work harder at enhancing levels of morale, engagement and hence performance, and work harder at maintaining their corporate reputation; as this impacts on the quality of key talent attracted to and retained within the organisation. All of these are long-term strategic business continuity imperatives for organisations with long-term survival and/or growth aspirations.”

Companies are facing the tough challenge of ensuring engagement, morale, performance, and corporate reputation

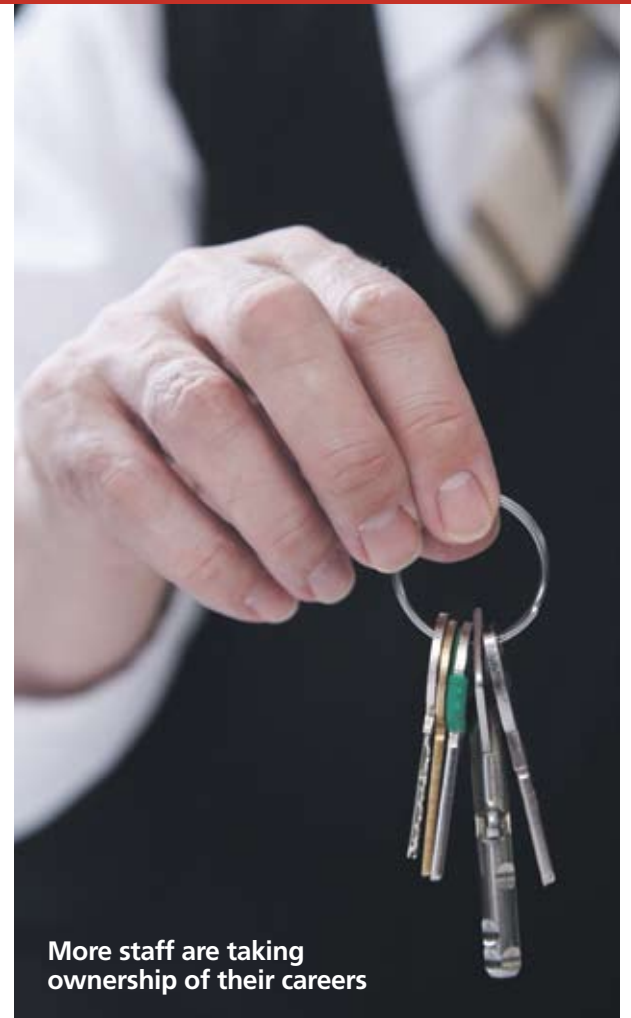
with tighter budgets. Many are approaching HDA for advice on how to divert some of their outplacement spend to internal career development support for their staff. Those employees who will remain in their jobs, or even those facing redundancy, will get much more benefit from having their careers leveraged while they are still with the company.

The more prepared people are now to manage their careers, the less support they will need in the event of redundancy. In-house career centres are becoming increasingly common as a way of providing staff with honest, confidential career leveraging advice, including one-to-one career coaching, group networking and facilitated career development events. Such measures will improve efficiency if or when redundancies are announced, removes the stigma of job losses, and improves employer reputation.

At the same time, the competitiveness of employees can be improved by providing interview and assessment coaching alongside vocational training. Redeployment empowerment can improve the suitability of internal candidates for internal roles and so reduce external recruitment and onboarding costs.

Should redundancies occur, it is important to help those who have been indirectly impacted through survivor support initiatives. Those remaining need assistance in refocusing themselves and adapting to the changing needs of their career, as the opportunities within the company change.

According to Glen, “any internal career advisory service should be underpinned by the realistic and open-cards message that there will not always be a direct match between the organisation's need for talent, and the current availability of talent. Redundancy is not new, it affects an increasing number



More staff are taking ownership of their careers

of people at some point, and it is often a valuable career development step.”

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Anna Shields and Alex Efthymiades, Directors of Consensio, explain how to manage conflict in the workplace before, during and after redundancy.

In difficult economic times, “redundancy” and “conflict” are sadly, common themes. Redundancy is challenging for all concerned, not just the distress and difficulty for departing employees, but also the negative impact upon the wider team, business management and clients. The good news is that conflict can be effectively managed and, in some cases, completely avoided through the use of mediation and conflict resolution techniques.

The redundancy process for most organisations is a drastic measure designed to improve the financial “bottom line”. Whilst the cost savings are obvious, ironically, the inherent conflict caused by redundancy ends up costing business far more than they expected and indeed, bargained for. The reason behind the paradox is that HR and managers are often not suitably equipped to conduct the difficult conversations which

Mediate your way through the redundancy process

occur, resulting in lost morale and productivity. Training in mediation and conflict resolution skills can help organisations before, during and after the redundancy period.

The first phase of redundancy includes numerous meetings held behind closed doors which make employees feel stressed, insecure and often demoralised. This decreases productivity and massively increases the potential for conflict and possibly employee initiated litigation. The best way to nip conflict in the bud is to effectively communicate with employees and to take on board employee feedback. Managers and HR trained in mediation and conflict resolution skills will be able to consult with staff, and, where possible, negotiate alternatives to redundancy. By engaging with employees in a procedure that affects the whole organisation, the likelihood of conflict decreases and “win-win” alternatives may be found, including sabbaticals, part-time employment, salary decreases and job sharing. These solutions not only save time and money, but they may also decrease the number of necessary redundancies or, at the very least, smooth the process for all concerned.

If redundancy is the only option, resulting conflicts tend to be the most challenging as they are driven by loss of self-esteem, fear and insecurity. Although dismissal is often unrelated to performance, departing employees may feel demoralised, hurt

and betrayed. Again, it is critical that managers and HR are trained in how to handle redundancy conversations in order to limit claims of unfair dismissal. Managers and HR need to communicate openly about redundancy and, in difficult situations, appoint an external mediator to help employees deal with unresolved conflict.

Once redundancies are complete, the final phase deals with resulting issues, such as impact on team morale, survivors' guilt and new work responsibilities. Again, mediation and conflict resolution skills can be used by managers and HR to resolve ensuing conflicts, to boost employee morale and to embed learning from the process.

With the UK unemployment rate hitting peaks not seen in recent memory, so are Employment Tribunal claims citing unfair dismissals. The new ACAS Code of Practice calls for disputes to be solved at an early stage and recommends mediation as part of every organisation's dispute resolution portfolio. An appropriate plan, which includes training management in mediation and conflict resolution skills, means redundancy can be managed more effectively at every phase.

For further information, visit: www.consensiopartners.co.uk