

# Are you considering, planning for, or going through a restructure and/or are making redundancies?

Preparing to remove roles or layers from an organisation or closing a site/ office is never easy, particularly when you also want and need to maintain business as usual.

According to research from McKinsey, 70% of change projects fail. That's a staggering statistic! But is it really a surprise when there are so many factors at play?

In this practical guide we combine our 30+ years of learnings, experience, and wisdom to give you practical steps and guidance on how to successfully maintain business continuity during such a challenging period.

"According to research from McKinsey, of change projects fail. That's a staggering statistic! But is it really a surprise when there are so many factors at play?"



Watch our recent webinar: Supporting you and your people through a restructure and/or redundancy programme

# **Building an inclusive culture**

Whether you are an SME with a handful of employees or a large multinational organisation, a key aspect of maintaining business as usual during times of change is helping your people to feel that they are working within a supportive and inclusive environment – especially when times are tough.

This means having strong foundations where communication is valued, employees are treated as unique individuals, and effort and achievement are celebrated. When the inevitable need for change arrives, complex programmes will be easier to deliver as your employees know you will continue to support them. Your people won't expect any change programme to be 100% successful, but if you have a culture of giving people a voice, listening and providing clarity and regular updates, you have a far better chance of getting support and buy-in when change is needed.

### **Practical actions**

- Protect psychological safety through proactive listening, being non-judgemental and encouraging an environment where employees can provide feedback constructively
- 2 Ensure you listen to outlier opinions, as often these are within more marginalised groups
- When you implement changes based on feedback, be transparent about the value of the feedback and impact of any changes

"Your people won't expect any change programme to be 100% successful, but if you have a culture of giving people a voice, listening and providing clarity and regular updates, you have a far better chance of getting support and buy-in when change is needed."

# **Equip your managers**

For many, the word redundancy comes with immediate connotations of stress and uncertainty. It's no wonder then that leading people through a redundancy programme can be challenging and time-consuming.

Effectively managing your people through change can help avoid uncertainty and confusion among your employees. This is important to making sure the change programme achieves its results, but also making sure your employees have the head-space and resources to continue doing the day-job. Those affected both directly and indirectly will be looking to their managers for support and guidance.

Clearly, even in the most highly engaged working environment, not everyone will respond to change with enthusiasm and happiness. Your managers need to be able to successfully anticipate and respond to a range of reactions to change; harnessing the enthusiasm of those who support it and overcoming the resistance of those who do not, all whilst recognising that individuals' emotions and reactions may seem unpredictable or contradictory.

But not every front-line or middle manager has experience of being involved in redundancy programmes or of managing the 'human' impact on people through a time of change. Coaching can help play a part in preparing your managers and can help them improve communication skills, engage with employees more productively, and better understand individuals' unique challenges.

- Make sure your business leaders have a clear voice and have communicated the objectives of the change programme so managers know why they are delivering it
- 2 Ensure your managers are informed on the timelines and process of redundancy key dates, trigger points etc.
- Provide extra support for managers whose roles are also at risk supporting others through change whilst directly impacted themselves is extra tough.
- Have a clearly communicated plan and/or consultation on how the day-to-day work is going to be delivered post-transition.

# Preparation and communication

The importance of preparation and communication in any redundancy programme is paramount. We all know that meetings behind closed doors, long Teams/Zoom calls that leave everyone frowning, or even a simple change in demeanour from managers can signal to people that 'something is going on.'

There are two human traits that combine to create problems for organisations during times of change:

- Firstly, humans are psychologically predisposed to focus on negative events and threats a hangover from the days when identifying threats early improved our chances of survival.
- Secondly, human beings aren't wired to handle uncertainty well. When we don't know what's going on, the natural human tendency is to invent our own narrative to fill in the gaps.



These two traits can lead to a perfect storm of unrest and uncertainty at a time when you need your people most, even causing high performers to leave pre-emptively before any change is announced, preferring to 'jump before they are pushed' but leaving you with performance gaps at a time when you need your people to be working productively to help your business navigate this time of uncertainty.

Knowing what to communicate and when is critical to doing this well, which is why preparation is key. Knowing the key activities, timelines and milestones, understanding the legal requirements, building FAQ guides and preparing the different ways to communicate all help your employees to feel like you are managing the restructure professionally, which gives an extra sense of reassurance and dignity to those impacted.

Of course you need your scripted and consistent messaging, but managers should be encouraged to regularly communicate with both those affected and unaffected. Even if you have no updates for people, your managers need to tell them that's the case. Otherwise they will invent their own reasons as to why managers aren't talking to them.

The tone of communication is also crucial, as well as being mindful around language about the roles affected, rather than individuals. Think about where your people may be at emotionally and the impact upon those affected vs. those unaffected - even those not at risk of redundancy themselves will be experiencing a lot of uncertainty and anguish at potentially losing colleagues and friends.

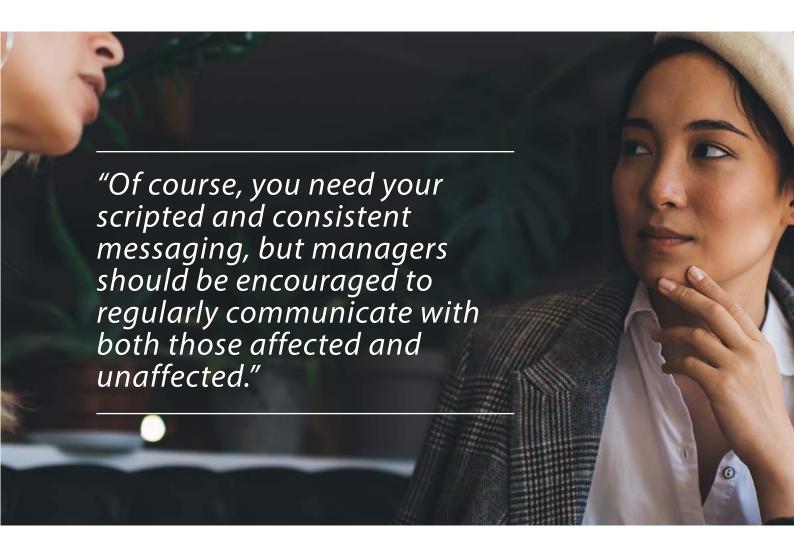
Those remaining may be fearing for their futures, so try and keep your communications as positive as possible and have your managers remind their teams that they care about their wellbeing. It can go a long way towards helping people feel safe and secure, and therefore more productive.

For those remaining with the organisation after consultations, consider setting up employee forums to solicit feedback from your people on how things are going. Take time to understand their fears and continue to follow this up after the aftermath of any changes. It can make a huge difference to how effective your communications strategy is – and the productivity and engagement of your retained workforce

At NFP, we've always advocated the importance of having employee forums so that people can talk about what's going on in their world. Organisations we work with are finding that where forums are set up, they are learning more and more about what their people are going through and can therefore action appropriate support, measures or processes to enable positive incremental improvement.

It can be tough finding positives to communicate during a redundancy programme, so having outplacement support in place for those leaving can be a positive message both for those leaving and also those retained.

- Ensure everyone involved in implementing the restructure understands the objectives, milestones and legal implications
- Have your scripts prepared, and equip your managers to have personalised, individual conversations
- Expect to repeat your message and to provide communications in different ways (written, 121, collectively) as it is unlikely people will retain all of the information
- Practice, practice, practice! It is important that your employees feel you are in control of this change, and this includes the way your deliver your message



# Plan for employee resistance

Even the most perfectly planned redundancy programmes come up against some degree of employee resistance. Not every individual is going to be accepting of the change – so make sure you are being transparent and honest. Give people the opportunity to understand so that they can make their choices in an informed way. And whilst you will get resistance in pockets of the organisation in any redundancy programme, it is rare that the issues raised are unique or different.

A lot of the employee resistance you will receive tends to come down to employees not understanding the message because the communication and narrative hasn't worked. Authenticity, clarity and openness are key.

It is therefore hugely important that in your planning you do a lot of up-front thinking to anticipate resistance. This goes back to communication and engagement. Your managers need to have their ears to the ground so that they are picking up messages and vibrations and feeding back to you.

As an HR leader you also need to keep key stakeholders close to you, whether that's managers, unions, individuals - whoever your key stakeholders are from your mapping. You need to be accessible to them and although you may be buried in the 'doing' of the redundancy process, you still need to find time to actually speak to people and make yourself available to them, as they may want to share something that is really important that you need to know about.

- Consider and capture your risks as part of your planning stage, and re-visit these throughout
- Ensure you have a clear map of stakeholders across the business
- Pay attention to what is not being said as well as what people are shouting about
- Regularly remind people of the mechanisms for giving feedback

# Don't forget your people working from home

With more and more people now working remotely, it's important to have a tailored plan for these individuals. News like this can be processed differently by people in their 'safe' space at home instead of having that physical separation of being in an office, and people can easily feel more isolated or singled-out without colleagues or friends physically near them.

Time is a big consideration here. It definitely benefits to add more time for those working remotely, especially if you've got a large-scale redundancy programme where you have a lot of people in many different locations.

There may need to be smaller team announcements to accommodate the location of different people. Depending on the situation it may be possible to get people together in smaller groups, or you may need to do the whole process remotely. So, you need to prepare for more disruption and also contingency technology plans if things do fail!

When dealing with redundancy meetings remotely, judging how people are feeling is much harder, as you'd typically receive feedback, or be able to gauge the 'vibe' in the office. You don't have this informal conversation opportunity to understand how people are feeling to then adapt communications or process, and so you

are more reliant on your managers that are delivering the messaging. Additional time and compassion are needed to ensure things are being handled in the right way.

### Practical actions

- Ensure your remote employees have time and space to digest the information not another Teams call straight after
- Be mindful of news travelling through the employee grapevine if you are running separate announcements over time due to locations/time differences
- Find appropriate ways to check-in and for employees to share their feelings with others



**Download our white paper:** The do's and don'ts of redundancy with a remote workforce

# Treat all employees with dignity and respect

Of course, this is a given in any professional environment, but when undertaking a change initiative it deserves additional focus and explicit consideration. Your employees will already be feeling vulnerable and uncertain about the changes. Even if you're well prepared and effective at communicating, making the extra effort to ensure everybody feels included and supported will have a fundamental impact on maintaining business continuity during the transition.

Part of this is continuing to prioritise all employees, including those whose roles are at risk.

Offering outplacement support to your leavers is a proven way to demonstrate your commitment to your employees and your desire to help them move on positively. It also helps to acknowledge the wider impact a redundancy can have on someone – financially and emotionally – and shows that you see your people as more than just a resource.

With outplacement, your leavers are given support to leave well and to take their next step with clarity and confidence. Providing outplacement is also powerful from a moral standpoint and 'the right thing to do' as a demonstration of your commitment to your company values.

There are also a wide range of other benefits that come from providing comprehensive

outplacement support, including some you may not have thought of...

Supported leavers leave better – saving you time and resources when managing the redundancy or restructure process.

More comprehensive handovers are completed as leavers are more invested in making a good exit, maintaining productivity and continuity of service during a time of change.

Employees not directly impacted by the redundancy see their friends and colleagues being looked after, which helps them stay engaged and productive at a time when you need them most.

Turnover is reduced from unwanted resignations from your retained staff. Happy leavers and engaged employees help you to be viewed as an employer of choice, meaning you will be in a better position to attract and retain top talent when you do need to hire again.

If your people know they will be offered fully funded support to move on, for as long as they need, you may find enough people take voluntary redundancy, meaning you don't need to make compulsory redundancies at all.

It's also important to remember that research has shown that up to a third of your workforce that still have jobs might be experiencing guilt about having a job when others have been let go.

even the wellbeing of those left behind. When you're looking to maintain business as usual, you need your retained staff to be working at their best and, of vital importance, stay with your business.

One of the things that can make the biggest difference to those experiencing this form of 'survivor guilt' is to know that those who were let go were treated in the best way possible. That means throughout the consultation process, making the time to answer and address questions, being as transparent as possible throughout the process – and then also giving those whose roles are made redundant the support from a career expert to move on quickly and confidently.

What you need to avoid is those unaffected people thinking 'what if I'm next?' or wanting to jump before they are pushed. Seeing the effects of a restructure can make people feel very unsure about just how in control they are of their situation – and therefore see them taking actions they may not have otherwise, to regain that control.

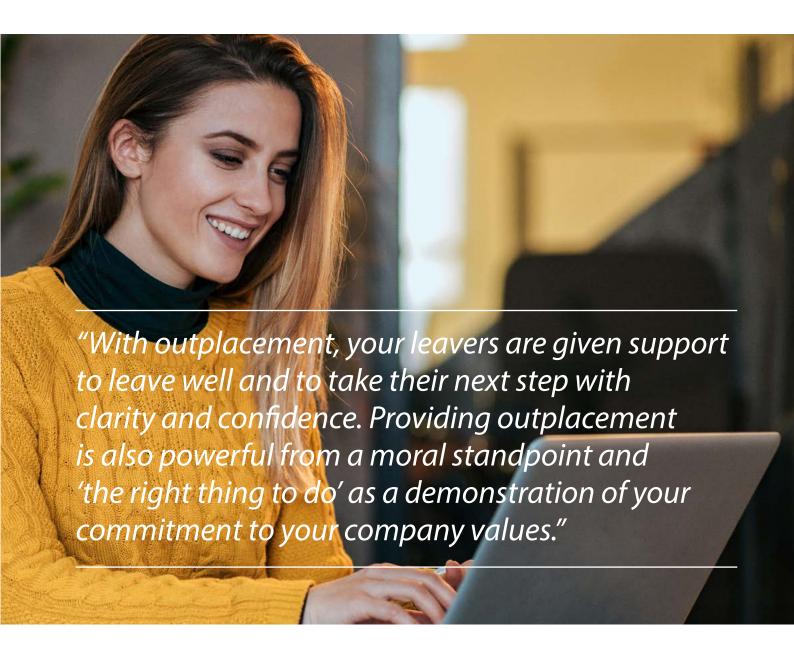
Knowing that if the worst happens they will be looked after by an outplacement provider and experienced career coach – and opening up a positive conversation about consciously setting the direction of their career – helps take some of that uncertainty out of the situation. Instead of worrying about the impact to them, employees are freed up to rededicate themselves to their role and try to make the best of the situation.



**Download our guide:**Outplacement
explained



- Ensure your remote employees have time and space to digest the information not another Teams call straight after
- Be mindful of news travelling through the employee grapevine if you are running separate announcements over time due to locations/time differences
- Find appropriate ways to check-in and for employees to share their feelings with others



# Support employee wellbeing

In an age where employees are looking for more than salary, pension and annual leave as part of their employment contract, employee wellbeing is critical to attracting and retaining the best candidates. This remains true during times of change and will continue to be a vital aspect of your employee value proposition both during and after your restructure, helping you run your business efficiently and productively in the long term.

Providing things like access to trained mental health first aiders, financial education and mortgage consultations, resilience training and support, parental transition coaching and emotional and practical retirement planning all help prove to your employees that you care about them holistically as individuals and don't just see them as a resource there to do a job.

This is a vital part of building your inclusive culture that will help your restructure run as smoothly as possible, and lets your employees know about the wide range of practical support available to them during times of change – which also helps you maintain your productivity and reduce disruption during a challenging time.

You can also consider outplacement support as part of your employee wellbeing strategy for all employees, not just those impacted at the point of redundancies. Offering outplacement support has an obvious benefit on employee wellbeing for your leavers, but also positively impacts those left behind and even those who might be considering you as an employer in the future.

Talking about your outplacement provision right from the start of your journey with an employee can really support the embodiment of your approach to wellbeing – letting them know that if the worst does happen and you need to let them go at any point, they will continue to be looked after.

This means that if your business goes through a period of uncertainty, you can help to maintain your productivity and reduce the number of people that leave your organisation out of fear that redundancies may follow.

This means that if your business goes through a period of uncertainty, you can help to maintain your productivity and reduce the number of people that leave your organisation out of fear that redundancies may follow.

- Embed employee wellbeing throughout your employee lifecycle, not just at the point when people need it most
- Consider wellbeing initiatives as alternatives to the standard salary/ pension as part of your employee value proposition offering coaching, financial resources, mental health first aiders etc.

### In conclusion...

Managing a change project and resulting redundancies – however large or small – is no easy feat, but maintaining business continuity is absolutely possible if approached in a considered and effective way.

By placing focus on your planning and communication (for both internal and remote employees) and ensuring you have a solid wellbeing and support strategy in place, you will create an environment of trust and buy in, whilst increasing productivity and reducing turnover as a result of 'survivor guilt' and anxiety.

Equipping your managers with the skills they need to lead their people through change is a critical part of success and in turn can play a big role in managing employee resistance.

And finally, ensuring that you have the right outplacement support in place to help your leavers to take their next step strongly demonstrates your commitment to employee values, boosting your wellbeing strategy, talent retention, employee productivity, and overall brand reputation.





### How we can help

At NFP, our experienced team can partner with you to deliver the full range of redundancy support services. We will manage your people and managers through this sensitive time in a way that keeps them engaged and comfortable with the process.

NFP's redundancy support services can assist any element of a redundancy project, whether it is supporting you with volume administration or consultations, or managing the whole project from start to finish, including redundancy outplacement support.

- op@nfp.co.uk
- **2** +44 (0)1491 414010
- nfp.co.uk/outplacement

