

Guide to Restructuring

If you are considering restructuring your business, there are three suggested stages of introducing a restructuring plan with affected personnel: consultation, implementation and resolution. You are required to observe any restructuring policies, or terms contained in the relative collective Employment Agreement and any other applicable Employment Agreement.

Stage One - Consultation

- Initially convey your restructuring intentions to your staff as a proposed idea for discussion rather than as a pre-determined decision.
- Provide all staff with an opportunity to express their opinions and views on the idea. Foster a spirit of consultation and express a willingness to listen to new ideas, suggestions and alternative options from them.
- Ensure that staff feel they are contributors to a combined solution to the current problems affecting your business. In some instances they may come up with creative solutions that you had not thought of. A good consultation process should bring these out.
- Give staff time to absorb your proposals and invite their further feedback after a set period of time.
- Consider staff feedback and then based on the generated feedback, make a definite decision about what you are going to do and what positions are sustainable and which ones are not. At this stage make reference to affected positions not individual staff members.
- Clearly communicate your decisions to all relevant staff members and outline quite explicitly what will happen next. Staff need to have clear information on what will happen as they are prone to uncertainty and confusion if matters are left up in the air at this stage.

Stage Two - Implementation

The restructuring of staff positions can be undertaken in three defined ways:

- I. Reconfirmation
 - Some staff can be reconfirmed in the same or similar positions to their existing ones within the business
 - II. Re-assignment
 - Other staff with suitably transferable skills can be presented with the option of being re-assigned to another available position within the business
 - II. Redundancy
 - The positions that are considered unsustainable will be those that could be made redundant.
- Explain the implementation and decision-making process to your staff as clearly as possible to convey a sense of transparency and fairness. Be upfront and honest with staff about the current situation and explain why there is a need to make changes. Staff are more likely to be understanding of the decisions if this is clearly made known to them.
 - Discuss with each affected staff member your plans to reconfirm, reassign or make their position redundant. Listen to their views and provide them with some time to consider your decision. Finally ensure that you obtain written confirmation from staff who accept your offer to retain them within the restructured business.

- Once staff have been confirmed in their restructured positions it is important that your presented plan should no longer be open to negotiation. Be decisive. Indecision at this stage only gives rise to confusion and internal division amongst staff in the hope of influencing or changing decisions.

Stage Three - Resolution

- At this stage every effort should be made to address and resolve any issues and problems that may exist with affected staff.
- Ensure that reconfirmed and re-assigned staff feel reassured by the implemented changes and well resourced to adequately undertake their new duties. Failure to satisfactorily bed-in new changes with existing personnel can leave them feeling vulnerable and uncertain about their position. It is important to instil a sense of new opportunity and renewal amongst staff retained after restructuring.
- For employees whose positions are being made redundant, conduct a consultation session with each one to explain the terms of their employment agreement and what you are prepared to do for them. Ensure that each affected employee is provided with the opportunity to have a support person present at this meeting should they desire this. Elicit their feedback and provide them with the opportunity to air their concerns and discuss what you can and cannot do to address these. It is equally important to specifically record and document these sessions with an independent note-taker.
- Invite affected staff to converse with you further about any problems that they are experiencing. They should see you as a source of support.
- Try to make provision for the future job prospects of those employees in soon-to-be redundant positions. During their notice period consider granting them time off to attend job interviews. Make specific and clearly defined boundaries for these provisions.
- In instances where a staff member expresses a grievance with the process followed it is important that this is firstly discussed in a meeting with them and a genuine attempt is made to satisfactorily resolve the issue between yourselves. Again ensure that the employee has a support person present at such a meeting if required.
- In this meeting try to conduct an open, honest, respectful and supportive environment. Look for common ground where both sides are in agreement and develop ways to accommodate acceptable variations to that. Encourage collaboration towards a solution. Don't give advice, judge, discount, sympathise, invade or takeover the other person's viewpoint. Be clear and upfront about what you can and cannot do and clearly define and record any mutually agreed outcome.
- Should there still be no way to satisfactorily resolve a grievance between yourselves then the Department of Labour provides [mediation services](#) that may be of assistance in resolving disputes that may develop

Further information on dealing with restructuring and redundancy