

What the HR manager says:

I don't think that the current structure of the retail business will give us anywhere near the number of voluntary redundancies we need and that match our restructuring needs.

Previously, I've always asked for expressions of interest for voluntary redundancies. Then I make contingency plans for compulsory redundancies, in case there aren't enough volunteers. I've always tried to develop objective, fair and defensible criteria for use in choosing staff for redundancy. I look at things like past performance and behaviour, length of service and existing staff skill profiles against the new skills we need on board.

My last tip is that I always work closely with relevant business managers to prepare these criteria.

I want to make sure they support the process and have confidence in it.

Human resources impact of the restructure

It has been identified and proposed that there is to be an overall reduction of staff in the retail division of approximately two thirds. This is a significant reduction which will be offset by the addition of approximately 180 EFT required for position in the online division. However, for staff to move from retail to online may require some additional training and, for many staff, relocations (from their current store location to the central city warehouse complex).

Initial staff consultations have begun at which a number of potential redundancy/redeployment arrangements were discussed. Staff also put forward a number of issues for management consideration. The HR team has compiled a list of the issues as discussed.

Issues for consideration include:

1. The multi-skilling and tasking of staff in the restructured section,
2. Ascertaining skill profiles of current staff,
3. Identification of skill profiles for staff in the restructured section,
4. The issue of expressions of interest in voluntary redundancy to all staff, or whether to target staff for compulsory redundancy,
5. The division of the state into regions and the movement of staff to these regions and/or to one central location,
6. Costs (removal, housing, legal expenses, office rent, etc.) associated with removal of staff to these areas,
7. Mobility and availability of staff to relocate due to financial, family, social and travel considerations,
8. Legislative, award, contract and policy requirements involved in transfer, redundancy and redeployment, as well as associated costs (e.g. severance pay),

9. Morale and teamwork effects on those who remain (potential resignations due to perception of uncertainty and breach of trust issues),
10. Humanely and ethically dealing with redundant staff (e.g. the provision of outplacement services such as financial advice, retraining, personal counselling, career development advice, resume and interviewing skills, finding alternate employment for these staff, and so on),
11. The potential for 'unfair dismissal' disputes (and potential reinstatement or compensation) if the process is not handled appropriately.

Redundancy and redeployment issues can be complex, time consuming and potentially harmful to the organisation. Care must be taken to ensure we comply with all requirements and best practice to ensure that the organisation builds on the changes to the benefit of all involved.