



'Simon Says'

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Edward George

Christmas Greetings!



Did you know the SEEK employment index fell by 8.1% in the month of October? While WA is holding its own in the employment market, Australia-wide we are seeing an interesting pattern in employment rates; a declining level which is rivaling the trough we reached during the GFC. Although this is not ideal, it does seem to be triggered by a 'watch and wait' mentality, as employers observe and in a sense, mirror, the current conservative approach being taken by the mining and resources industry. How long we will have to wait remains to be seen.

Redundancy decisions: smooth exits are just as important as grand entrances

"...why are companies so happy to invest significant time and money into new employee orientation, induction and retention programs but they are prepared to risk all their team goodwill and potentially their reputation in the industry with a poorly thought out staff exit strategy?"

There are times when all organisations are faced with the difficult decision where they must part ways with employees. Reasons can vary from economic down turn, restructuring, a change of strategic direction or simply a skill set mismatch. Whatever the reason, being forced to choose redundancy as a rationalisation strategy is tough on everyone. You can expect to work through the full spectrum of less desirable emotions with your team; despondency, fear, guilt, insecurity and disillusionment. Managed carefully however, changes associated with redundancy can result in a win for the individual and a win for the organisation.

The question I often ponder is why companies are so happy to invest significant time and money into new employee orientation, induction and retention programs but they are prepared to risk all their team goodwill and potentially their reputation in the industry with a poorly thought out staff exit strategy?

Protecting your brand.

It doesn't seem to matter which industry you operate within, your organisation has probably made a substantial investment into its corporate image. Preserving the goodwill associated with your brand is likely to be a high priority and will far outweigh any costs associated with quality outplacement processes. More importantly, demonstrating that you are a responsible and caring employer can play a big role in maintaining your productivity levels and retaining your high performing talent.

As idealists we would have all of our 'exiting' employees sing the virtues of the organisation and convey what a pleasure it has been to work for such a great employer. Not likely. In the face of uncertainty, it is quite understandable that employees will be emotional about being made redundant. If we can aim to minimise the possibility of

conflict and potential flow on litigation, maintain a positive work culture within our high performing team and preserve our reputation within the markets that we operate, we should really acknowledge the process as a success.

Practical assistance for your team.

There are some real benefits in facilitating a smooth and professional outplacement process to successfully transition employees out of your organisation with a forward thinking approach to their next challenge. Practical outplacement services can include assistance with resume and cover letter preparation, providing current industry knowledge, interview coaching and developing a LinkedIn profile. A guided discussion that focuses on positive future planning and career possibilities is a constructive way to manage the stress associated with being made redundant.

Benefits for the organisation?

- Preserving and building your strong work culture. Your valued team will be reassured of being afforded the same level of courtesy and support when they choose to leave.
- Protecting your brand and reputation. Effectively managing negative sentiment during the outplacement process will reduce the risk of potentially damaging comments in the industry and separation-related litigation.
- Gaining valuable feedback will inform future change management strategies.

Redundancy is an unfortunate but real consideration for organisations, particularly in the current market. While the best strategy is to try and protect your business from an outplacement situation, change is the only constant we can be assured of.

Edward George provides comprehensive Human Resource Solutions specialising in recruitment and retention strategies, exit interviews and outplacement services. If you would like further information about any of our services, email us at perth@edwardgeorge.com.au or phone us on **9457 4566**.

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