

MANAGING THE IMPACT OF ORGANISATIONAL CHANGE POLICY

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1. INTRODUCTION

Rushcliffe Borough Council ('the Council) continuously strives to remain fit for purpose, to improve services and always achieve value for money. As such, there are times when substantial organisational change, beyond the extent of normal operational flexibilities becomes necessary. The purpose of this Policy is to summarise how the Council manages the people aspects of such organisational change, including:

- The principles which guide the Council in managing organisational change
- How the Council consults affected employees and their representatives
- Arrangements for managing redundancy and redeployment
- How the Council ensures effective communication with employees
- How the Council supports employees affected by organisational change.

Employee appeals in connection with organisational change are managed under the separate Employment Appeals Policy.

Any parts of this policy which are not expressly contractual or statutory terms are discretionary. The policy is supported by a toolkit of resources to help managers implement organisational change well (see final section); toolkit documents are available from the HR pages of the intranet.

2. WHAT PRINCIPLES GUIDE ORGANISATIONAL CHANGE?

The following principles guide the Council to help ensure it manages organisational change well:

- Ensure that employees, their representatives and other stakeholders are aware of the Council's general goals, progress and pressures for change.
- Endeavour to secure jobs and avoid/minimise the need for redundancy.
- Seek to recruit and retain those people who have the relevant competencies, behaviours, skills, knowledge and motivation to operate effectively in the revised environment. To achieve this, the Council may, where necessary, consider applicants from the external job market alongside internal applicants. This approach will be dependent upon an assessment of the availability of particular skills and competencies, the number of vacancies to be filled, the timescales involved and financial considerations.
- Undertake timely consultation with employees affected by change and their Representatives (via the Employee Liaison Group and the recognised trade unions) with the full intention of seeking views at the earliest possible opportunity. This consultation will include discussion about the need for change, its impact and implementation; see Briefing 1 (Organisational Change Plan) from the Change Managers' Toolkit. Consultation will take place in accordance with good employment practice and law before final decisions on employment terminations are made and will constitute a genuine attempt to seek agreement on the way forward.
- Put in place support and/or training for employees who either choose to leave, or have to leave, the Council, to enable them to find alternative jobs and prepare for the change.
- Conduct any organisational change selection processes fairly and objectively.

- Make reasonable adjustments to the Organisational Change Policy (and its associated documents) for disabled employees; pregnant and breast-feeding mothers in the workplace; and those on maternity, paternity or adoption leave (see Change Managers' Briefing 7 – Situations Requiring Particular Consideration).

3. CONSULTING EMPLOYEES AND THEIR REPRESENTATIVES

While formal consultation must take place on proposals for substantial organisational change, managers may informally consult affected employees and their Representatives ahead of the formal process to start involving them as early as practicable. Informal consultation take place on the understanding that circumstances may change and final decision are still to be taken.

Formal consultation will take place with the Trade Unions, Employee Liaison Group, Service Units and teams, and individual employees potentially affected by the proposed change.

Equal consideration will be given to feedback from all stakeholders consulted. Please see Briefings 1 (Organisational Change Plan) and 2 (Consultation) from the Change Managers' Toolkit for more information on consultation.

a. Trade Unions

Proposals for substantial organisational change will lead to consultation with the Council's Employee Liaison Group or any future forum established to conduct consultation between the Council and its recognised trade unions. The Briefings 1 (Organisational Change Plan) and 2 (Consultation) and Sample Document A – *Notify TU of Consultation – Restructure May Lead to Redundancies* from the Change Managers' Toolkit will assist in the planning and consultation process.

The timing of consultation may vary but will be in good time for meaningful discussion to take place. For example, there will be a requirement in some cases for Council Members to discuss policy prior to formal consultation taking place. The timescales will also take into account relevant legislation.

Unions will receive proposals which will include such information as the numbers of employees affected, their role and location; selection method/criteria; opportunities for voluntary redundancy, retirement or early retirement; and redeployment and retraining proposals. Consultation will also consider how:

- The need for redundancy can be avoided or minimised (see Change Managers' Briefing 3 – Avoiding/Minimising The Need for Redundancy) and;
- The effects of the proposed change on employees can be mitigated.

Union responses will be considered by management before a decision is made.

b. Service Units and Teams

Heads of Service will lead consultation with units/teams affected by organisational change, explaining the proposals, including rationale and intended implementation plans. More generally, employees and unit representatives will be consulted and involved in Service Planning to ensure there is broad participation in, and understanding of, future direction.

Where the potential impact is on members of Senior Management Team or Heads of Service they will be consulted on an individual basis with due regard to the constitution.

c. Individual Employees

Service Heads will make themselves available within reasonable timescales to meet employees who wish to raise questions and discuss their futures and/or concerns. When employees are at risk this will be communicated in writing, and individual consultation will take place at this stage to explore the options available to the employee and their preferences for the future. HR should be involved at this stage.

No employee will be made redundant without individual consultation having taken place, or without reasonable steps having been taken to ensure consultation takes place; the employee has an obligation to make themselves reasonably available for any meetings scheduled.

Change managers, please see the Sample Documents B1 (*Individual Notice of Consultation – Slotting In Proposed*), B2 (*Individual Notice of Consultation – Ring Fencing Proposed*) and B3 (*Individual Notice of Consultation – At Risk*) for notifications. Sample Documents C1 and C2 (*Individual Consultation Templates*) are for use in individual consultations.

4. COMMUNICATING ORGANISATIONAL CHANGE

During and following periods of consultation, communication will continue with employees and the Trade Unions in a variety of ways, for example:

- Regular progress updates to the Employee Liaison Group
- Updates at monthly team briefs and in “Staff Matters”
- FAQ’s (Frequently Asked Questions) page on the Intranet, managed and updated by the HR team on a regular basis.
- Paper or electronic communications to employees when information needs to be conveyed urgently.

The aim of this is to ensure that everyone affected is aware of progress and notified of any change to the Organisational Change Plan (e.g. change in timescale) and to provide an opportunity for questions to be raised and answered quickly.

5. REDUNDANCY AND REDEPLOYMENT ARRANGEMENTS

The Council endeavours to select individuals who best fulfil the requirements of a role and the organisation. It will seek to find suitable alternative employment for employees in internal vacancies that they are able to adapt to and perform in fully effectively, given reasonable training and a trial period (see Briefing 5 Alternative Jobs and Trial Periods and Sample Document G – *Alternative Work Questionnaire*). Only if there are no suitable alternative vacancies and all other means of managing business needs have are considered to be impracticable, will the Council instigate compulsory redundancy. If notices of redundancy are issued (Document H – *Notice of Redundancy Dismissal*), support will be offered to affected employees to help them prepare for the change.

The Council will indicate if it is able to consider volunteers to leave on grounds of voluntary redundancy or early retirement (including early retirement in the efficiency of the service). If so,

employees will be able to identify this as a preference that will be considered; however there is no guarantee that applications will be approved and all cases will be considered in the context of business and service needs. Applications will not normally be considered if the employee is subject to active formal disciplinary, competency or attendance management issues or procedures which may lead to dismissal.

d. Slotting In

Any rules for slotting in to new posts will be communicated to staff via the Organisational Change Plan and consultation. In general slotting in will occur if the Council is satisfied that:

- a) the combination of the primary purpose of the new job; its responsibilities and duties present an 80% or greater match* with the old job, not only in terms of task-matching on the job descriptions, but also in terms of the frequency and importance of the responsibilities and duties and other relevant factors; and
- b) the employee meets the essential requirements of the person specification, or can do so with reasonable learning and development; and
- c) there is only one person eligible for the new job, on the above basis, or the numbers of eligible people and new jobs are equal; and
- d) slotting the employee into the new job does not involve a grade increase; and
- e) it constitutes suitable alternative employment.

* The remaining 20% of the job, its responsibilities and duties, may constitute a significant change in the skills, knowledge or competencies required by the employee, which may not be met by a reasonable period of training and therefore slotting in may not be appropriate even though the 80% test has been met.

An employee who is slotted-in to a vacancy need not apply; there is no trial period, so the appointment is permanent and there will be no entitlement to any redundancy payment. If an employee cannot be slotted in, he or she may be ring-fenced, if applicable (see next section).

Employees who have not been slotted in may be taken forward to selection processes and or redeployment. After selection decisions have been made, employees who are unsuccessful in obtaining a new post will be considered for employment in any suitable alternative vacancies within the Council. Notice of redundancy will normally be issued at this stage (after consultation with the employee) with redeployment considered during the notice period (see Change Manager's Briefing 6 – Notice of Redundancy and Document H – *Notice of Redundancy Dismissal*).

e. Ring-Fencing

Arrangements for ring-fencing vacancies will have been summarised in the Organisational Change Plan and in consultation. In general, the Council may ring-fence applications to at-risk employees if the new job is an appropriate ring-fence for the at-risk job, as defined in consultation.

An employee will not normally be ring-fenced to more than one vacancy at a time. If an employee could be ring-fenced to more than one vacancy, the one selected will be the closest match with the employee's at-risk job.

If there is more than one at-risk employee who meets the vacancy criteria, a competitive selection process will take place to determine who best to appoint. Selection will be against the vacancy's essential criteria, with desirable criteria only being applied if more than one at-risk employee meets the essential criteria. Selection may include a combination of short-listing, selection interview and/or other tests. Ring-fencing decisions are normally made before wider competition; there may be more than one ring-fence, on a cascade basis, before wider competition.

There may be a trial period in the suitable alternative job and, if successful, there would be no entitlement to any redundancy payment.

f. Redeployment

Staff displaced will be invited to complete an Alternative Work Questionnaire (AWQ) (Sample Document G - *Alternative Work Questionnaire*) which will allow them to be matched by the Council against any suitable alternative vacancies for which they have the relevant competencies and skills. Where only one employee is capable of filling the vacancy, that employee may be assigned to the post or required to compete in a selection process which may involve other internal or external candidates. If an employee turns down an offer of a suitable alternative vacancy, this may result in the withdrawal of any redundancy payment and conditions to which the employee may have been entitled, unless he or she can demonstrate that the vacancy would not constitute suitable alternative employment. Where more than one at-risk employee would be fully capable of filling a role, a selection process will be used to identify the best person for the job, which again could include external candidates. Offers of suitable alternative employment are normally subject to a one month trial period. *Although this could be extended*

In addition, all potentially at-risk employees will receive details of Council vacancies as they arise and can decide to apply for a post even if they have not been matched with it. Such applications will be considered equally alongside any other internal or external applications.

If time allows, there may be more than one trial in different vacancies if they are available. Trials may extend beyond the notice period and up to a maximum of 12 months to allow for reasonable training. The length of the trial period and progress expected will be made clear at the outset. Reasonable training may be provided to assist the employee to meet the requirements of the new job; what is reasonable is decided by the Council in consultation with the employee, on the basis of cost, time and prospects of success.

On redeployment, if the substantive grade of the new job is lower than that of the current job, then the employee will be granted 12 months protection of higher pay and other terms and conditions, and immediately following that term will revert entirely to all terms and conditions of the new job.

g. Redundancy Terms

Employees at risk of compulsory redundancy will receive details of any redundancy terms and conditions which apply to them (see the associated Policy - Redundancy Payment). Additional details are also available, on request by employees interested in applying for voluntary redundancy (see the associated Policy – Voluntary Redundancy).

6. SUPPORTING EMPLOYEES THROUGH ORGANISATIONAL CHANGE

A mix of support will be put in place to assist affected employees, according to the circumstances. Affected employees are encouraged to contact the Council's employee assistance provider for free, confidential counselling. In addition, affected employees may be entitled to support in:

- understanding the financial and other implications of redundancy
- trying out suitable alternative vacancies within the Council
- a period of pay protection after redeployment to a lower-graded Council job
- in-house training or re-training
- finding and applying for jobs in and/or beyond local government

Affected employees may also be able to apply for:

- voluntary redundancy, retirement or early retirement (see associated Policy – Voluntary Redundancy).
- reasonable paid time off work during the notice period to seek work, or get approved training (subject to two years' service)
- early release to take up another job
- a grant towards further training in the employee's current area of expertise, or to take up a new career (see associated Policy – Training Grant).

Affected employees are expected to make best use of the support available. Change managers will be advised and supported by HR.

Employees who are redeployed will complete a new Personal Development Review (PDR), or refresh their existing PDR. The PDR will summarise any training required by the employee, how this will be delivered, and by when. The Training Manager will collate generic training requirements generated by organisational change and produce a training plan to be agreed with the Head of Service.

Senior managers facing redundancy may also be granted executive outplacement support.

7. EMPLOYEE APPEALS

If an employee has grounds for dissatisfaction regarding a formal decision under this policy (or its associated documents) or regarding how an organisational change has been managed, he or she should raise the matter informally with the person concerned, or the Strategic HR Manager, in the first instance.

If this is impractical, or proves unsuccessful, the employee may appeal using the Employment Appeals Policy which is available on the HR pages of the intranet. An employee may not appeal discretionary decisions, unless he or she has reasonable grounds to believe that the discretion was applied unfairly on grounds protected by employment law.

Please contact Human Resources if you need further guidance, or wish to give feedback on this Policy.

8. ASSOCIATED POLICIES AND CHANGE MANAGERS' TOOLKIT

ORGANISATIONAL CHANGE POLICY	CHANGE MANAGERS' TOOLKIT		ASSOCIATED POLICIES Employment Appeals, Redundancy Pay, Training Grant, Voluntary Redundancy.
	BRIEFINGS	SAMPLE DOCUMENTS	
	1. Organisational Change Plan		
	2. Consultation	A - Notify TU of Consultation Restructure May Lead to Redundancies B1 - Individual Notice Consultation - Slotting In Proposed B2 - Individual Notice of Consultation - Ring Fencing Proposed B3 - Individual Notice of Consultation - At Risk C1 - Summary of Individual Consultation Meeting C2 - Individual Consultation Template	
	3. Avoiding/Minimising the Need for Redundancies		
	4. Defining Areas & Selection Criteria	D1 - Redundancy Selection Matrix (Individual) D2 - Redundancy Selection Matrix (Summary) E - Individual Confirmation of Slotting In F - TU Notice of Outcome of Restructure Consultation	
	5. Alternative Jobs & Trial Periods	G - Alternative Work Questionnaire	
	6. Notice of Redundancy	H - Notice of Redundancy Dismissal	
8. Situations Requiring Particular Consideration			