



The role of HR in an Organisational Restructure

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Before an attempt is made to highlight the role of the Human Resource Department in an organisational restructure, it is critical that we speak to the paradigm shift that continues to occur within the sphere of human resources.

In previous times, what we know today to be People Management or Human Resources Management, was once identified as Personnel Management. Research shows the term Personnel Management was used to refer to the payroll, contractual obligations, and other administrative tasks. It encompassed the range of activities that relate to managing the workforce rather than the resources. It was more administrative in nature, with a focus on ensuring that all the needs of the workforce pertaining to any immediate concerns were met; which also included mediating between management and the employees. With the advent of resource focused organisations, it became more imperative to put people first.

This is not to say that those companies maintaining the title of personnel management are not concerned with effectively managing people; but to emphasize the point that human resources management has extended the scope of how to effectively manage this valuable resource.

This modern and extended scope seeks to designate the People Management Department as a critical partner, piloting organizations in areas such as organization development, talent management and development, as well as formulating strategic approaches to the utilization of employees to serve the business goals. This modern approach impacts HR services such as the design of work positions, recruiting, reward, recognition, performance development, appraisals, career and succession planning; all of which are strategic contributors to business success.

Having understood the principles which contributed to the shift, the role of our HR partners is therefore essential to any organization. Specifically, when we assess the various reasons for business restructure, with some common examples being, cost reduction, incorporation of new technology, improving competitive advantage, or even to make better use of talent; that role becomes even more relevant.

Currently, many businesses who are still reeling from the impact of the novel Coronavirus, have been forced to undertake a serious and swift examination of their business and to implement measures necessary to ensure the viability of the company and the employment. Remembering that any restructure whether big or small has the potential to revive a declining business or even position the company for growth, HR's role throughout this exercise must not be taken lightly.

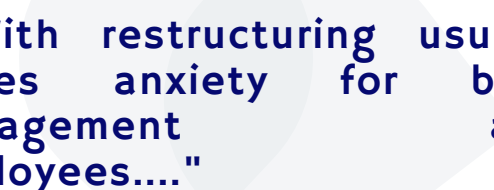
One such role includes communication with stakeholders. With restructuring usually comes anxiety for both management and employees. Hence, it is HR's role to devise a communication strategy to outline the purpose of the restructure, as well as to address any concerns and possible support and reaffirm business goals. HR also provides any necessary communication to external stakeholders on the direction or progress of the restructure.

Additionally, retaining critical employees throughout a change or a series of changes is never an easy task; however, it is a task which cannot be ignored. At this point emotions are heightened, and employees are likely to make rash decisions. Of course, communication plays a huge role at this point. While there may be many reactive approaches to such a circumstance, a proactive strategy may prove more beneficial and more effective. Reflecting on the proverbial 'straw that broke the camel back,' it is imperative that we manage the pile up of dissatisfactory events even before the change occurs. HR professionals must therefore stay abreast of the various retention strategies as well as have an enhanced awareness of where they are placed within the competitive market. Not only after a change, but throughout the employment relationship we must pay close attention to the bonuses that we pay, the time or money we invest in the employees for training and development, internal promotion opportunities, as well as constantly improving workplace policies and procedures to reflect fairness, transparency, and appreciation.

Should the objectives of a restructure be to position a company for growth or to simply achieve greater financial benefit overall, managing employee productivity should never fall by the wayside. It is important for the business to continue performing at its optimal level. During a restructure, employees lose focus on their work, and focus more on the fear of redundancy or any other changes that threaten their needs. People managers must therefore create motivational programs, invest more time in developing plans and set measures and incentives in place to keep employees engaged.

Managing payroll and records is another critical action during a restructure. At this point, the company's credibility is at stake. While this may be more of an administrative function it helps to restore the confidence of the employees in the organisation.

While all the aforementioned are critical during an organisational restructure, it must be noted that each point can also be impactful before the restructure occurs. Organisations should practice effective communication generally; we should motivate and develop our employees; we should keep adequate records; we should manage productivity and reward the contributing behaviours. We should not do this only when a big change occurs. In fact, sometimes changes can happen so subtly that we do not recognize it. Take the following analogy, when you take a frog and throw it into a pot of boiling water it will immediately hop from the pot; meanwhile if you take the same frog, leave him in a pot of water at room temperature and then gradually increase the heat, he will most likely boil to death. The point here is simple, businesses survive through partnerships, partnerships with employees, customers, stakeholders, and yes, partnership with human resources.



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