

Outplacement in an Online World

Redundancies and outplacement

In an economy shaped by increasing globalisation, disruptive Internet businesses and fast-changing consumer preferences, many organisations are under intense pressure to improve efficiency, respond to weakened finances or re-structure for a very different future.

It is a fact of business life that there will, on occasions, be a need to release people from employment who have given long service, with loyalty and commitment. Some may be the victims of technology advancement; others may only offer skills that are no longer needed. In other cases, there may be recognition that the organisation has too many managers, administrators or non-productive roles.

We are not talking about poor performing people – they should be dealt with using other processes. The nominated leavers may not be the most flexible, ambitious, dynamic or efficient, but they are not bad workers. They may well be liked by their colleagues, who feel a mix of guilt and relief, concern and anger.

Nonetheless, in this context it is reasonable to ask, why an organisation should spend money providing outplacement that they can hardly afford, on people who will soon be leaving. At a certain level this logic makes sense. So, why do organisations, in these difficult situations, use outplacement to support departing staff?

The business case

There is clear evidence of return on investment when organisations provide outplacement for staff who are affected by redundancy:

- Profitability and share price can be boosted by a well-run redundancy programme. Investors appear to reward decisive management, accepting the short-term costs as a necessary step towards long-term success.
- For those staff who remain, higher levels of morale and productivity are maintained so long as the organisation is seen to be taking care of all its people. In contrast, where workers are unhappy with how their colleagues are treated, they become demoralised and provide very low levels of discretionary effort. This is often referred to as Survivor Syndrome. For example, a Swedish study found a 41% decline in job satisfaction, 36% drop in organisational commitment and 20% decline in job performance when redundancies were not sensitively managed. This effect far outweighs any idea that people might work harder when they are afraid for their jobs.
- An organisation which is seen to treat outgoing staff well is likely to improve its brand reputation, in the eyes of thoughtful investors, customers, suppliers and even, in some cases, government. A company with a reputation for callousness and inhumanity will be damned in these days of instant, all-enveloping social media.

The management imperative

Emotionally, even senior managers need to feel they have done the right thing by their staff. However much the decision to dismiss is rational and necessary, guilt is an entirely natural reaction. Whilst we don't make business decisions purely on emotion, it is good news when the sensible option soothes the negative feelings:

- It is morally right to support people who are victims of circumstance and have done nothing wrong. Indeed, there is always a question of how much was invested to upskill them or whether difficult conversations about their weaknesses were avoided. This isn't about blame, it is the just correct thing to do.
- Corporate social responsibility (CSR) is an overused term and is often seen as a PR tool. Outplacement is a clear, genuine process recognising that the business is not constrained to just its financial commitments.
- Compassion is a strength, not a weakness. This demonstrates that the company has managers who live by the organisation's values, not just laminating them on the wall in reception. Seeking a speedy, structured conclusion to the process can be valuable to those involved. Not knowing is frequently worse than the reality.
- Gaining the respect and goodwill of staff who remain is critical. Management is reliant on these people to bring about the necessary changes and make the organisation successful again. It is essential that they want to be there and to contribute. For those people who have options – very often your better-performing staff – the likelihood of them finding another job elsewhere is higher. It has been established that 1% reduction in staff headcount can lead to 31% attrition in the following year.

Risk reduction

When redundancies become necessary, it makes sense to reduce the legal risks and associated costs. Why would any organisation want to spend money fighting a court case, committing so much management time, potentially paying significant amounts to leavers and have it blatantly in the public eye?

Providing outplacement support does not guarantee there will not be claims for unfair dismissal, but it does mitigate the impact of redundancy and creates a better climate, so fewer people consider taking their situation through the legal process.

Practical considerations

As part of a redundancy exercise you will need to manage a transition period, where work is migrated from people who are leaving to those who remain. This is important to the individuals and relationships will need to be maintained throughout this time.

However, it pays to keep this as short as possible and to separate the two groups as quickly as possible. Those who are leaving need to focus full-time on their career direction and finding a new job, so it is better if they are out of their old workplace and 'in the market'.

If you decide to offer outplacement support, make sure it is *not* done at your offices; for staff who remain it can be confusing and unhelpful to see leavers returning to your premises.

Features of effective outplacement

Any support package needs to be responsive to context and the desires of the affected individuals. It needs to balance structured guidance with the ability for each individual to focus attention and time on their particular needs.

Support needs to be provided over a reasonable time period. Depending on the skillset of the individual, the type of work they are looking for and the state of the local economy, it may take many weeks for them to find a new position.

Support should be provided at different levels, including practical skills for finding and securing a new job, as well as emotional support as the individual's identity, self-esteem and resilience are challenged.

The more enlightened outplacement programmes will also encourage individuals to turn this into an opportunity: to think about their values, purpose and the impact that they want to make through the rest their career.

Traditional services and online alternatives

Traditional outplacement services are typically centred around face-to-face coaching, with each individual receiving a set number of sessions according to how much the business can afford. These sessions are sometimes accompanied by some kind of workbook or other printed materials.

This approach can be effective for people who fully engage in the process but is less well suited to those who need more time to come to terms with their situation or to investigate their options. The cost of face-to-face sessions can also be very high.

It is common for people to suffer emotionally from the uncertainty of redundancy, worries about lost income and coming to terms with loss of status and identity. For them, a traditional outplacement counsellor is unlikely to have the training or experience to provide support.

A more flexible and affordable alternative is to provide some or all of the outplacement through an online service – a website with a paywall that provides guidance and resources as part of the package. Individuals can watch videos, read articles and complete worksheets, progressing at their own speed and focusing on what concerns them most. This may be complemented by emotional support through a moderated online community and direct access to trained professionals. All of this will be available 24/7, accessible from home or using a mobile device.

Outplacement from Work Horizons

Work Horizons provides tailored outplacement packages, centred around a membership website with high quality content, supporting career planning and job hunting. This service is available online, 24/7 through any PC or mobile device. It is focused on helping people to:

- Work out what would bring purpose and meaning to their career and life
- Find the right job or start a self-employed business
- Survive and thrive in their new job or business
- Deal with the effects of re-structuring positively

With Work Horizons outplacement packages, your outgoing staff are supported with:

- Review and assessment of the role that they have been doing
- Exploration of what they want and need from a new job
- Personal branding and online presence
- Building relationships with good agencies
- Creating a CV
- Sourcing vacancies
- Preparing for interviews
- Assessing a potential job and accepting an offer
- Dealing with rejection
- Exploring ideas for self-employment

Work Horizons programmes have been created and delivered by highly qualified, experienced career coaches and work specialists. They are designed to provide a great experience for individuals at an affordable price for employers.

Support with emotional wellbeing

We offer an optional package of emotional support, provided at an exceptional price and delivered by our partner Westfield Health.

Healthy Extras provides individuals with access to valuable services to help support their emotional wellbeing. Big White Wall is the first step they can take towards getting the support they need, and for those who need it, they can talk to a GP over the phone or via a webcam, and access counselling services too, all accessible 24/7.



- Big White Wall is a safe online space to explore the things that are troubling you and get the support you need, in confidence.
- The 24-hour advice line provides access to a qualified counsellor to discuss anything from stress, bereavement or relationship advice to health and money worries.
- With DoctorLine, a practicing UK GP will call you back without having to wait for an appointment. They can provide webcam consultations and make private prescriptions.

Packages

All outplacement packages give individuals unlimited access to the Work Horizons website. You may choose to purchase access for 6 or 12 months, for however many people are affected.

Add-ons include:

- One to one coaching, typically delivered in short, focused sessions using Skype or Facetime
- Personality assessments, delivered by qualified professionals

For more complex or large-scale redundancy situations, we develop bespoke packages, including restructuring plans and tailored outplacement solutions.

To find out more please visit workhorizons.com/corporate or call Rob Ball on 0121 663 1710.

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