



HOW TO MANAGE RESTRUCTURING TO MAINTAIN EMPLOYEE WELL-BEING

Introduction

The PSYRES-project *Psychological health and well-being in restructuring: key effects and mechanisms aims were:*

- to gain insight into the impact of different types of restructuring on the psychological health and well-being of employees;
- to examine the pathways through which restructuring affects well-being;
- to determine which subgroups of employees are at risk of developing psychological health problems during organizational changes;
- to identify preventive actions.

To reach these goals, information was gathered in four countries: Denmark, Finland, the Netherlands and Poland. This factsheet is based on information concerning various initiatives of organisations' to maintain psychological well-being during restructuring. This information was mainly obtained during national workshops held in four countries during which various stakeholders shared their experiences.

Communication

During the whole restructuring period, employees need a clear answer to two important questions: 1. *Why are we restructuring?* (sense of urgency, if there is a real urgency). 2. *Where are we going?* (perspective of the company's future). Management should be able to answer these questions in just a few sentences.

Communication is important at all levels of an organisation:

Individual level

At this level, communication should be focused on discussions of what the change means for the individual. Questions employees ask themselves are: What does this mean for me? What does this require of me? Do I need to work with other people than I used to? Do I need other qualifications than I have? What opportunities do I have for influencing the process?

Group level

A group should be allowed to identify what kind of information is needed, from whom, when and by which means. Both written and oral communication is important. Discussions on restructuring at group meetings may be helpful. They offer employees both the opportunity to become updated about progress and to give their feedback about how they feel about the restructuring.

"Venting" meetings where employee groups can express their feelings, their concerns and their reservations about the changes can be useful.

Managerial level

Middle managers are often the first point of contact for employees, and they need to be fully informed about changes. Communication from top management to middle managers is, therefore, crucial. This may be achieved though including middle manager in steering groups and having restructuring as a fixed item on the agenda at manager meetings.

Some advice to ensure good communication:

- Be transparent (truthful), open and honest. Do not have a hidden agenda!
- Do not present decisions already made to employees as options they can choose.
- Do not try to make the future brighter than it actually is.
- Be consistent at all levels (organisation, department, team, individual).
- Repeat the information over and over again.

Organisational level

An overall communication strategy should be developed that covers:

Who provides information? To whom?

What information? When? By what means?

Who is responsible for monitoring communication?

The following key aspects should be taken into account:

- availability of written material;
- possibility to use an anonymous communication medium, for example a "Question and Answer" option on the company intranet;
- repetition of the same information as often as required;
- constant monitoring of the communication process.

Communication should be two-way.

Not only information is important – also keep in mind the opportunity to engage in dialogue - getting clarification and making suggestions, in other words influencing the process.

Participation

Individual level

Employees should have the opportunity to influence their future role in the organisation. They should be involved in deciding which tasks to take responsibility for and in which direction their career should go, and which skills and abilities would they like to develop in the future.

Group level

It is also important that groups should be able to influence which activities and responsibilities they can partake in. It is also important to investigate how the skills and competencies of the collective group of workers match with the responsibilities of the group to ensure that members as a whole have the necessary competencies to do the job.

Managerial level

Middle managers should have the authority to make decisions at their level, ensuring that change is implemented in the most appropriate way, taking into account the people and the culture at this level. Also middle managers should have the opportunity to influence decisions at upper levels.

Organisational level

Participation in risk assessment (including psychosocial risks) carried out at the organisational level ensures employees and their representatives to be heard. Risk assessment should be carried out before, during and after restructuring process. At each phase, specific information can be gathered that clarifies current risks and needs of employees.

Support

Individual level

There are different ways to support individual employees during (as well as before and after) restructuring. For example:

- Coaching may help relieve employees from feeling like victims and help them be proactive in defining their future role within the new framework of the organisation.
- Analyses and development of competencies. A mapping of competencies reveals gaps between the existing competencies of the individual employee and the new requirements of the job, and aids the identification of individual training needs. Subsequently, it then becomes a strategy to identify which courses already exist and which additional training courses should be developed.

Group level

There are several ways in which work groups can be supported. For example:

- *Transition rituals* are strategies for maintaining well-being. This includes marking the change from one stage to another and making sure that the successes are celebrated.
- *Social activities*, for example parties to get new groups to feel that they are part of the whole.
- *Meetings for mutual consultation* are important to ensure collaboration between new groups after a change of their responsibilities.
- *Mapping group members' competencies* is necessary to make sure that the work group have the necessary competencies to carry out their task after the changes.
- *Training* may be provided to group members, for example training on the competencies necessary for fulfilling the requirements of the job. Training may also be provided when teams are being implemented so that employees learn how to work together in new ways.
- *Well-being coordinators* can be used to keep an eye on the well-being of colleagues, and if necessary, to approach the union representative or the supervisor in order to bring to their attention the fact that additional support may be needed. The well-being coordinator can also arrange social activities that help develop group cohesion.

Managerial level

Middle managers have a number of responsibilities during the change process. They have to manage the daily work, the restructuring itself and the transition process that employees undergo – both as a group and as individuals. The workload may become too big for them. Therefore:

- *The daily management can be transferred* to an experienced senior employee or a transition manager can be appointed.
- *Coaching and mentoring* may be initiated: middle managers more experienced in making changes can mentor those with less experience.
- *Training middle managers in communicating* about sensitive issues is useful. Communicative skills for managers include emphatic listening, summarising events and asking the right questions. Trainings in change management should be also available.

Organisational level

Human resource management practices applied in the organisation affect the support everyone receives during the restructuring process. The HRM policies should focus on employability and managing the change processes. Owing to increased employability, the employees can easily find new jobs within the organisation or outside.

HRM practices should articulate a clear vision of the company's direction so employees can set goals that fit with the goals of the company.

In relation to recruitment and selection, middle managers should be selected based on their ability to manage the change processes, together with an ability to detect what is happening at personal and interpersonal levels.

Communication + participation + support = successfully implemented change

Further information

Wiezer, N., Nielsen, K., Pahkin, K., Widerszal-Bazyl, M., De Jong, T., Mattila-Holappa, P., Mockało, Z. (2011). *Exploring the link between restructuring and employee well-being*. CIOP-PIB, Warsaw.

Pahkin, K., Mattila-Holappa, P., Nielsen, K., Wiezer, N., Widerszal-Bazyl, M., Jong T., Mockało, Z. (2011). *Steps toward sound change – initiatives for ensuring employee well-being during restructuring*. CIOP-PIB, Warsaw.

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