

Management guidance on organisational change

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Related policies				
Redundancy				
External Reference				
N/A				

MANAGEMENT GUIDANCE ON ORGANISATIONAL CHANGE

1. OVERVIEW

- 1.1 Organisations have to be dynamic and need to respond to change quickly. Changes in the economy, law or delivery of the service can affect the way an organisation works. This can result in a change to staffing, structures and jobs.
- 1.2 Reorganisations should take place quickly and fairly, whilst complying with legal obligations regarding consultation. Reorganisations need to achieve a workforce that reflects the wide range of backgrounds in the community. Managers must also try to avoid making employees redundant if possible and consistent with ICMP's operational and business needs.
- 1.3 These guidelines do not cover employees who are relocated due to ill health, or transfers covered under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE).
- 1.4 This guidance is not intended to be prescriptive as to how every reorganisation will take place, and is for guidance only.

2. EXISTING POLICIES

This guidance is to be read cross-referenced with all relevant ICMP policies.

3. IDENTIFYING THE CHANGE REQUIREMENTS

- 3.1 A departmental manager will explain why the reorganisation is required and how this impacts on the affected staff group(s).
- 3.2 Managers should plan the reorganisation very carefully. It is advisable to keep things as simple as possible. Managers must not expect to get everything completed overnight.
- 3.3 Managers are to generate a change proposal document with assistance from the Human Resources team, using the template in Appendix B. Change proposals must refer to the details given as being proposals only, and that no firm decisions have been made or will be made until after appropriate consultation has taken place. Managers must be open to ideas raised at consultation and consider them fully. There is a template consultation paper to be used. **The consultation proposal must be approved by the Executive Committee before consultation begins.**
- 3.4 Notifying employees of proposed changes must take place only when the reasons for the change have been defined, the potential impact on the staff group has been assessed, methods of selection have been proposed and the change document has been drafted and approved. Prior notification to employees can lead to increased anxiety and stress on the staff group at a time when full details have not been finalised.
- 3.5 Managers must decide whether jobs have changed substantially. Managers must make sure that they compare the job descriptions and person specifications of posts in the old structure with the job descriptions and person specifications of posts in the new structure, to see if there are any changes. Guidance on issues to consider is shown in Appendix A.

4. STAFF GROUP CONSIDERATION

- 4.1 Consideration must at all times include staff who are on extended absence for any reason. This includes those on
- secondment
 - maternity/paternity/adoption/shared parental leave
 - paid or unpaid annual leave
 - Sabbatical
 - sick leave, or
 - suspended from work

Details may need to be sent by recorded delivery, and/or by meeting absent employees at a mutually agreed time and place.

- 4.2 Managers must treat employees who are absent from work for whatever reason in the same as any other employee, making sure that everyone gets the same information and that they are included in the consultation and selection process.
- 4.3 Sessional/casual workers/Zero Hours Workers who have been working alongside others in the same department are also included in the identification of who is involved in the change. Human Resources department can give further advice on this.
- 4.4 Temporary agency workers may be working alongside permanent or temporary directly employed staff. Ordinarily efforts should be made to retain directly employed staff if this can be achieved through reducing reliance on agency workers. Check with Human Resources for further advice.

5. CONSULTATION MEETINGS

- 5.1 Consultation must be meaningful. Managers must recognise that it can bring benefits in the process of organisational change if the views of staff are sought and taken into account. If you are open with your employees about the reorganisation you can help to avoid uncertainty or anxiety. Remember that consultation is a two-way process so keep employees informed and listen to what they have to say. Always keep a record of your reorganisation. If managers are clear and open with employees, inaccurate information will not be spread. Meetings to discuss and consult on the proposals will be held as necessary to enable consultation to take place in accordance with the published timetable in the change proposal document.
- 5.2 Management should enter into consultation at the earliest practicable stage, but consistent always with the requirement of section 3.3 above. Consultation should always be undertaken with a view to reaching an agreement, although it is recognised that in many circumstances it will not be possible to secure an agreement.
- 5.3 Managers must, by law, consult if 20 or more employees may be dismissed by reason of redundancy within a 90 day period. This consultation must begin at least 30 days before any dismissal in circumstances where 20 or more employees may be dismissed, and at least 45 days before any dismissal in circumstances in which 100 or more employees may be dismissed.
- The Department of Business Innovation & Skills (BIS) must be told if 20 or more employees may be dismissed. BIS require:
- 30 days' notice if between 20-99 employees are to be dismissed, or

- 45 days' notice if more than 99 employees are to be dismissed.

5.4 Human Resources is responsible for drafting the required BIS form (in conjunction with the manager) and for sending the notice.

5.5 Managers can consult employees in a number of ways, including meetings and emails. A combination of methods works best.

5.6 Some employees cope better than others during reorganisations. Managers should offer to meet any individuals who are uncertain about the reorganisation.

5.7 Managers should remind employees that HR can be contacted and an external confidential counselling service exists to support employees. HR deals with employee's personal concerns relating to the reorganisation, and not assistance with how employees should complete applications or with interview skills.

6. SELECTION METHODS

Managers need to determine the extent to which the proposed jobs have changed.

There are two main ways of undertaking a reorganisation, these being assimilation and ring-fencing:

- **Assimilation** is where, owing to the similarity of the old role and the new role, employees are placed into the new role without undergoing testing or selection methods.
- **Ring-fencing** takes place in circumstances where there are similarities between the roles, but less than 70% of the job detail is the same, or the potential new role is at a higher grade. In such cases a selection process is used, rather than there being an assimilation.

The extent to which jobs have changed can be discussed at consultation meetings.

In a ring-fencing arrangement, the staff group at risk of redundancy have first rights to new jobs before any other recruitment takes place. Selection methods are used to select the successful candidates for the new posts. Ring-fencing usually takes place instead of assimilation where there are more employees than posts available, even if there is a greater than 70% similarity between the existing role and the new post.

7. SELECTION PROCESS

7.1 Any appropriate recruitment and selection methods, e.g. written application, assessment tests, interviews, can be used. The selected method should be the one most appropriate in the circumstances. Managers should be aware of the stress and anxiety of the selection process that employees are placed under.

7.2 Staff groups are usually invited to apply for agreed posts by submitting an application in writing or statement of interest. Posts are to be available to the staff group on a ring-fenced basis before external advertisement is placed. Assessment, interviews or presentations may be used as agreed in consultation.

7.3 The selection criteria for the ring-fencing arrangements must be fair, realistic and measurable. Managers must not discriminate because of sex, race, disability, age,

gender reassignment, gender identity or expression, sexual orientation or religion/belief.

7.4 Always make sure that you have enough objective information to make your selection decision.

7.5 If you are ring-fencing employees for a higher graded post, you must always interview them before offering the higher graded post.

7.6 Management assessment information includes appraisal, supervision, standard setting and performance information. This information should be reliable and accurate and the employee should already be aware of it.

7.7 Managers can use misconduct records as part of the selection process if they are current. Warnings that have expired must not be used.

8. NOTIFICATION OF SELECTION PROCESS RESULT TO STAFF GROUP MEMBERS

8.1 Employees need to be told in advance of the assessment process, how it will happen and what it will involve. Employees must be told of the arrangements a reasonable time before the interview.

8.2 If you want the employee to fill in an application form or prepare something as part of the selection process, make sure that you give them enough time.

8.3 The outcome of the selection process will be communicated in person and in writing as soon as possible after the interviews have taken place. Managers must seek to minimise any delay in communicating the outcome of the selection process.

9. POST SELECTION STAGE

9.1 Managers should start to reorganise at the top of the organisation and work down level by level.

9.2 After posts have been filled, the Manager will conduct meetings with individuals to discuss their duties in the restructure and to answer any queries. The letters to all employees confirming their job role and any changes to their employment will be sent as soon as possible.

10. PAY AND PERFORMANCES ISSUES

10.1 The manager must undertake performance review (appraisal) of the staff group as required under the employee's current job until the new structure is confirmed, after which it will be based on the new job/structure.

10.2 Where an employee on a higher grade is placed into a position of a lower grade as a result of a reorganisation, salary protection may apply for up to one month at the higher grade post before pay is moved to the correct grade for the post. During the period of salary protection, no increments, pay awards or other additions to pay will apply.

11. DISPLACED STAFF

11.1 Where employees have not gained a position in the new structure, the options are:

- redeployment to another position in ICMP
- redundancy, if redeployment is unsuccessful and it is management's view that no other suitable alternative work is available.
- A member of staff may decide to apply for a post at a lower grade than their current post.

12. RECRUITMENT TO NEW POSTS

- 12.1 It is expected that any external recruitment will only take place once the existing staff group have been confirmed to a position within ICMP.

13. EQUAL OPPORTUNITIES

- 13.1 Managers must make all selection decisions based solely on merit, whilst acknowledging the obligation to make reasonable adjustments for disabled employees or candidates.
- 13.2 Managers should try and see if it would be possible for any disabled employees to carry out the job. Managers should see whether you can make reasonable adjustments to allow the disabled employee to do the job.

APPENDIX A

How to decide if a job has substantially changed:

1. Compare job descriptions and person specifications

The job description/person specification of jobs within the new structure should be compared with those within the old structure.

The following questions will assist in deciding whether a job has substantially changed:

- Are the main aims of the job the same or similar?
- Is the context of the job the same or similar?
- Have the duties and responsibilities of the job changed, and if so, by how much? For example, does the job now include supervising other employees?
- Does the new post need more skills? For example, does the employee have to solve problems, write reports and present them?
- Has the new post changed the way that employees work with one another, or others? For example, does the employee now have to work with external organisations?
- Does the employee now have more responsibility, for example, when it comes to making important decisions? For example, does the employee need to deal with more complicated or sensitive issues? Or is responsible for a bigger budget?
- Have any particular parts of the job become more important than they were before?
- Does the post need new knowledge, skills, or professional qualifications?

2. Other changes

There may be other changes that determine whether a job is the same or similar to a previous position. For example, there could be changes to:

- The number of hours an employee works (a change to a part-time to a full-time post, for example)
- The rates of pay
- The location

This is not an exhaustive list.

Appendix B Consultation Paper – (Department)

1. CONTEXT & DRIVERS FOR RESTRUCTURE

Please include the rationale for restructuring, any external /internal drivers, how this will benefit ICMP moving forward. Explain why the current structure is not appropriate.

2. CURRENT STAFFING

Structure Chart to be provided of current staffing.

Post	Incumbent	FTE	Current Grading
e.g. Administrator	Name	e.g. 0.8	e.g. Scale

3. PROPOSED CHANGES

Structure Chart to be provided of proposed staffing.

Post	Incumbent	Changes	Options
e.g. Senior Administrator	Name	Identify the changes to each post. E.g. increasing/decreasing FTE Change of line management Deletion of post Change of salary/grading Change in responsibilities	Ring fenced to apply for XXXX/ Assimilation into XXXX/ Redundancy / Redeployment / No change / Changes in JD

4. FINANCIAL

Item	Amount	Variance
Current structure costs		
Proposed structure costs		
Redundancy costs		

Please include costs, savings, or zero cost. The Director of Finance must approve the figures.

5. TIMETABLE

Date	Activity
XXX	Date signed off by ExCo
XXX	Email consultation proposal to affected staff
XXX	Meet with affected staff
XXX	Meet with affected staff
XX	End of Consultation
XX	Selection process
XX	121 meetings (if required)
XXX	New structure implemented

Author of paper
Job Title
Date