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How does restructure affect an organisation?

Regardless of the size, any restructure creates uncertainty for staff. At best, it may cause a distraction, at worst, a complete breakdown of trust that never recovers.

Either way, when it comes to the people side of change, outcomes include a drop in productivity, poor engagement, unwanted turnover of top talent and a contraction of innovation. Not surprisingly, the commercial implications of this are lower profitability, reduced stock value, poor market perception and, interestingly, no cost savings (Gandolfi, 2008).

Additionally, when the trigger for a restructure is a balance sheet under pressure, these factors lead to a weaker, not a stronger organisation - so the cycle repeats. Staff being asked to do more with less in an environment of uncertainty is not a recipe for success in challenging times, so strong leadership and experienced change partners are required.

What challenges are associated with dealing with redundancy/retrenchment on an individual level?

Redundancy is a life change not just a career change, so the key challenge for the individual is to understand all of the factors that are in play. These include psychological factors such as self-esteem and confidence, family factors, health and wellbeing factors, as well as managing the grief cycle. This, overlaid with financial concerns, strategic career planning and tactical career skills, means that the whole experience is multi-faceted and complex.

Even when all of the factors are managed, career transition takes time and there will be set backs, so patience and resilience are critical traits that need to be developed. Ultimately, retrenchment is one of the most challenging experiences that we'll face in our life.

How is this change different from choosing to leave a position?

Control.

Regardless of personality, we all need to have choice. If we feel like a situation had been dictated to us and we have no control, our limbic system (the emotion centre) gets activated and this can lead to both acute stress and impaired cognitive function. In short, we don't like it.



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As such, control is an important construct in managing change. Regardless of the situation, we can identify the factors that we can control versus the factors

where we have no influence. By focusing on the former and releasing the latter, we can deploy our resources far more effectively. Easier to say than do, but it doesn't take a lot of practice to master.

What can we, as career advisors, do to assist people going through redundancy/retrenchment?

Firstly, to assist with all of the fluid factors involved, we need to listen and do a thorough diagnostic of the individual and their specific needs.

Then throughout the engagement we need to play three roles:

- 1) COACH – Career transition is not a prescriptive exercise so the coaching methodology is important to empower our clients to arrive at their own decisions and help them to be accountable for action;
- 2) TEACHER – For building specific skills like resume writing and interview technique, we teach, guide and instruct.
- 3) SUPPORTER – While we are not their psychologist or counsellor, it's important that we are there to support the emotional side of career and life change.

Additionally, it's important that the career advisor looks after their own wellbeing. In such a giving profession, this can be missed however we are of no use to anyone if we fail to care for ourselves.

REFERENCES

Gandolfi, F. (2008, July/August). HR strategies that can take the sting out of downsizing-related layoffs. Ivey Business Journal.