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# The do's and don'ts of Redundancy with a remote workforce

The difficult questions of managing this process when employees are working from home and how to prepare colleagues for hearing, coping and processing bad news when working remotely.



# A recent ACAS report has predicted that 37% of employers will be making redundancies when Furlough finishes in September 2021.

**Redundancy, regardless of the cause, is a difficult and emotional process, so it's critical that it is managed in the right way.**

On Wednesday 28th April we brought together a panel of experts to discuss the real problems and dilemmas of considering restructuring and change that result in redundancies at this challenging time - both economically and in the workplace.

Our open and informative discussion looked to address the difficult questions of managing this process when employees are working from home, and how to prepare colleagues for delivering, hearing, coping and processing bad news when working remotely.

The panel gave a balanced view on:

- ✓ How to manage the legal and statutory requirements of a redundancy process
- ✓ How to treat all employees with dignity and respect
- ✓ Delivery style and management of the process
- ✓ Their own experience with projects of this kind during the pandemic

This whitepaper details the questions discussed in the session, whilst sharing the learnings, key guidance and wisdom on what can make the difference when undergoing the redundancy process with a remote workforce. Focusing on specific aspects such as **planning**, **communication** and **compassion**.

We invited a range of experts, with firsthand experience of managing redundancy in this challenging environment to join our host Nicky Valmas, NFP's Head of Organisational Change and HR Services.



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# So what did we discuss?

**The questions posed by our host guided the direction of the discussion and highlighted key points and learnings. We conducted several polls during this webinar, which provided additional findings to underpin the discussion.**

The focus began around the important subject of **planning**. Working from home adds a completely different dynamic to the redundancy process, so it's important to consider what additional plans and processes should be put in place, especially in a collective consultation scenario.



**Q1) In your (our panel's) experience what are the key preparations you can work through ahead of communicating with the at-risk employees? What experiences can you share of preparation you have done to make it easier for those working remotely?**

**Chris Thompson discussed** his own experience of managing a process during the health crisis and made the following key observations:

- ✓ The main challenge from the start was information containment. Keeping the news confidential ahead of the announcement was crucial, especially as the rumour mill had already started.
- ✓ Consulting with regulators, customers, and looking at the complexities of winding down an entire entity was a challenge, even ahead of communicating to individuals who were at risk.
- ✓ Training managers in how to deliver news, what to expect and the adverse effects of not keeping news confidential, whilst preparing for a variety of outcomes was key.
- ✓ Scripted and consistent messaging for all **communication** was carefully planned and adhered to throughout the process.



## Q2) What have been your experiences in running projects like this with an added working from home dimension? Does the process need more time than usual to accommodate the working from home dynamic?

### Natalie Coates described:

Time is a big consideration. I would always suggest in situations such as these to give yourself more time, a bit of a buffer. We all know that things come up that you aren't expecting during this process.

It definitely benefits to add more time for those remote working, especially if you've got a large-scale project where you have a lot of people in many different locations. There may need to be smaller team announcements to accommodate the location of different people. Depending on the situation and the Covid guidelines etc, it may be possible to get people together in smaller groups, or you may need to do the whole process remotely.

**'If you are holding a consultation remotely, it is essential to ensure that everyone has IT access and there is preparation for interruptions, whether this is children at home, the doorbell ringing, or a technology failure.'**

So, we need to prepare for more disruption and also contingency technology plans if things do fail. When dealing with redundancy meetings remotely, judging how people are feeling is much harder as you'd typically receive feedback, or be able to gauge the 'vibe' in the office. You don't have this informal conversation opportunity to understand how people are feeling to then adapt communications or process and so you are more reliant on your managers that are delivering the messaging. Additional time and **compassion** are needed to ensure things are being handled in the right way.

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*"Working from home adds a completely different dynamic to the redundancy process, so it's important to consider what additional plans and processes should be put in place especially in a collective consultation scenario"*

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### Q3) What key Workstreams need to be considered ahead of the program starting?

Claire Maynard responded from a project management perspective, explaining:

- ✓ Take a step back to consider what the project needs to achieve. Take a systematic approach – **plan, do, review**.
- ✓ Next, it's crucial to ensure that all the stakeholders are involved, and that the redundancy is actually legal/ legitimate. **The business rationale should be absolutely clear and watertight.**
- ✓ Remember the human element. It's very easy to forget it is about making roles redundant and instead, focus on the individual. The purpose of the consultation period is to explore ways in which we can avoid making redundancies if possible.
- ✓ Then it's about project planning – mapping out key milestones and timelines, data gathering, creating collateral and roles and responsibilities.
- ✓ Carefully look at the approach to consultations – is it collective or individual? Are Employee Representatives needed? Do we need elections? In a remote environment we need to put a lot of consideration into these aspects and take into account what is evolving during the course of the process.
- ✓ FAQ's and managing employee wellbeing are further workstreams required, introducing enhanced options such as Employee Assistance Programmes (EAP's) and outplacement. Employers have a duty of care to everyone involved in the process from the individuals, to the line managers and even those that remain after the redundancy process.
- ✓ Another very key workstream is **communication**. This workstream has to map and mirror everything you're doing, with many different elements to consider. Messaging for all stakeholders needs careful consideration and design to address all the different viewpoints and outcomes.



## Poll 1:

What aspects of conducting a large redundancy process (over 20 people) worry you the most?

**56%** voted for selection pools as the element they would worry most about.

**Second was ensuring the process is fair and transparent. Selecting employees for redundancy needs to be done in a fair way. If a business is reducing the number of employees in a single team or across the organisation, then the selection criteria will need to be chosen alongside a list of roles considered for redundancy – a “selection pool (s).” Following this process in a clear and fair way is essential to avoid discrimination and we would always recommend referring to the ACAS guide on how to use selection criteria, scoring employees and avoiding discrimination – click here > [ACAS Redundancy Selection Pool Guide](#)**







**Q4) We invited those who registered for this webinar to submit a question they would like answered. One pre-submitted question was “what are the requirements (specifically legal) for declaring collective consultation?” Does the panel have any top tips to share as a refresher on this?**

**Maria Hoeritzauer provided her top tips for running a collective consultation:**

- ✓ The thing that trips up a lot of companies is identifying whether collective consultation has been triggered or not. Usually it's pretty straight forward – you have 20 or more employees who are going to potentially be dismissed on the grounds of redundancy within a 90 day period – that's the legal test for when collective consultation is required.  
  
In less straight forward situations it's useful to step back and ask what are we doing, what have we done, has collective consultation been triggered, or will it be? It is essential to clearly identify the number of employees affected.
- ✓ Something to bear in mind is that anyone on a fixed term contract whose contract would naturally expire prior to the redundancy dismissal date, will not be included when you are counting your 20 employees.
- ✓ Consultation period length between 20 and 99 employees is 30 days prior to the first dismissal. For 100+ employees it's 45 days prior to the first dismissal
- ✓ Don't forget to communicate with your employee forums, councils and recognised Trade Unions early in the proceedings. Understanding the implications of any collective bargaining agreements that might be in place is paramount.
- ✓ Making the time to gather all the relevant information to best understand the context around the situation will be essential for complying with the regulations. The HR1 Form requires specific information that must be submitted to the Secretary of State 30 days before the notice of dismissals are issued. The HR1 form should be shared with the Employee Representatives when setting out the specific information required by law. Information supplied to Employee Representatives includes things like the rationale for redundancies, the number of agency workers you are using etc. There is a long list, and this must be supplied in writing.





## Q5) What are the risks of not having adequate evidence and detail?

### Maria continued:

Having a paper trail shows that you have followed a process. It ultimately sets out the full rationale and explanation of the proposed redundancies and shows the fairness of the situation, whilst protecting the organisation against criticism later and helps an appeal officer to look back and see full transparency of the process given to each individual. This is particularly key currently as we are seeing an increase in employment tribunals and it's important for employers to ensure they have followed the process carefully and fairly.

**'Employment Tribunal claims involving individuals in Q1 2020/21 increased by 18% compared to the same period last year.'**

Personnel Today





## Q6) In the panel's experience of running large redundancy programmes, what are the extra measures or steps needed when potentially working with a remote workforce?

### The panel responded:

The **communication** plan needs to consider all impacted groups such as non-affected employees, external suppliers, partners and customers.

Preparation time is important. For example, taking the time to prepare for the at risk announcements. The messages need to be absolutely correct, and every single step planned and executed, ensuring that everyone is contacted including those not currently working, people on annual leave, maternity, paternity and adoption leave, career breaks etc.

Some of the worst experiences reported are instances where people affected have heard through the grapevine, which also means that they are not receiving the exact message you wish them to receive.

FAQ's are a really good way to provide swift follow up and clarity, giving employees something to refer back to and a method to settle some of those initial reactions that people can have.

Remember that being away from the office means that some employees are not able to be in a group setting, and managers cannot jump in to answer questions and help the process along. It may be that questions take a little longer to answer in a remote working situation, so if they won't hear back for a week, tell them and commit to the timelines you set with them.

Lastly and most importantly it's about **compassion**. We have a responsibility to make the process fair, meaningful and respectful and remember that communication during consultation is two way. Think about what **communication** channels are available and perhaps when there is a large scale project, set up a dedicated managed mailbox, providing people with another route to contact and talk with you through the process.



### Poll 2:

What enhancements does your organisation consider in addition to statutory redundancy pay?

According to this **poll, most organisations being represented here provide some enhancement to Statutory Redundancy.**

EAP's are considered important during and after any process – please see a [link here](#) to an example



## Q7) What sorts of tools have you seen used and how does an EAP program for example, help?

### Natalie explained:

Throughout the redundancy process, consider the standard factors and services you may have in your organisation, such as occupational health services to support those off sick.

Support and training for managers is key for ensuring that they understand the dynamics of a consultation, are equipped with knowledge, support, and tools they need for the process.

Making tools available for affected employees is so useful, particularly around things such as the change curve, helping them to identify if they are reacting in a certain way and supplying tools and resources to understand how they may be feeling and processing change. There are also many free resources available you can signpost employees to with regards to mental health and wellbeing.

Outplacement in particular is an excellent support for your people.

**'A fantastic benefit of working with an outplacement provider such as NFP, is that they offer a service where they work with your people until they find their next role. That gave our people so much reassurance and helps enhance your messaging.'**

Chris Thompson, FNZ Group

Offering a service such as outplacement helps support the redundancy experience and stops leavers exiting with a bad view of the organisation. It helps to maintain a positive brand reputation for the business, shows those affected that you really do have **compassion** and respect for each of them and offers support at a time when they need it most.



## **Q8) How do you prepare your team for managing these individual reactions and difficult conversations?**

### **Maria began by saying:**

It is extremely important to provide training and support to your managers, training them in how to manage those hard and uncomfortable conversations. Drafting scripts for managers to use at meetings can be extremely helpful. These are not prescriptive, they are guidance. If you are the manager you need to listen and observe, as it really comes back to the fact that these meetings are where we really get to know these individuals. By asking open ended questions or just listening and not making any decisions, we can understand their personal skills and dynamics.

### **Natalie added:**

Prepare your managers to walk into the unexpected. Each individual will have their own reaction, which may be upset, anger, calmness etc, and so spending time with managers and helping them through the process is key. It's important to remind managers to not take reactions personally. These may be people they have managed for some time, or whom they feel they know well and getting a negative reaction can often affect managers. The more support you can provide to managers, the better.

### **Claire explained:**

In a virtual setting it is harder to know when a moment for pause is needed. Another consideration too, is the space in which the individual is receiving the message. Remotely, this is typically their home and 'safe space;' they may have children at home, or be home schooling, whereas the standard 'norm' for these meetings is to deliver this in an office space, where they would then go home to process and digest.

### **Chris answered:**

It really comes back to good communication and not being too regimented about timings. Flexibility is key.

Collective consultations are effective for giving employees a voice. By the time the one-to-one meetings come around people tend to feel more relaxed and comfortable. And there is one positive aspect of remote consultations, as some individuals may feel comforted to be at home and able to process and react in private, rather than being in an office.

If you wish to listen to a recording of the full on-demand webinar you can do so here.

# In conclusion

Handling redundancies in the correct way will make a significant difference to how people cope and react to the process, and to the morale of those remaining in the workforce.

Putting in sufficient time to consider these groups and following best practice will result in a better outcome for all parties. When embarking on a complex and politically sensitive process of this kind, general PR and communication management, alongside the right HR process and expertise is absolutely essential, as heightened emotions combined with economic uncertainty can inflame otherwise manageable interactions.

## In summary what are the key things to consider?

- ✓ Communication and having the right messages and channels
- ✓ Plan, plan and plan again
- ✓ Technology utilisation and a backup plan
- ✓ Training and Support for all participants
- ✓ Carefully and transparently follow the process
- ✓ Know what a good successful process and outcome looks like

But above all:

Manage the process with **compassion** and treat everyone with dignity and respect.

# How we can help

Are you planning redundancies? Are you in the process of redundancy consultations but need support to manage this in a new working world?

At NFP, our team of experienced consultants can partner with you to deliver the full range of redundancy support services. We will manage your people and managers through this sensitive time in a way that keeps them engaged and comfortable with the process.

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