

A study on managing redeployment: An effective retention strategy

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Abstract

In order to keep pace with changing business demands, organizations may need to realign their workforce, eliminating roles and functions in areas that are no longer viable, while growing other areas of the business. With redeployment, employees are no longer passive objects of workforce restructuring but active partners in the organisations drive for strategic change. Redeployment is where alternative employment is sought for employees when they are unable to perform the duties of their post (with reasonable adjustments) due to ill health or they have been selected for redundancy. The present study is an attempt to find out the reasons, causes and strategies taken for the success of employee's redeployment in organisation and that there exists a relationship between redeployment and retention of employees in the organisation. Redeployment can be a valuable strategic option to ensure you don't lose valuable, talented employees to your competition.

Keywords: realign, redeployment, retention, redundancy, strategic

1. Introduction

The management of corporate redeployments is a business discipline that most companies embrace only reluctantly. We live in an age when redeployment of corporate personnel is becoming a regular task for many major multinationals. In the past decade, many large organizations have reorganized their workforce and business processes to reduce the cost of their front and back office functions - either by moving them to a specialist service provider (outsourcing), by implementing a local "shared service centre" or by aggregating and moving shared services offshore to a location with advantageous labour costs (captive). The employees who previously provided these functions may now be surplus to requirements, and need to be redeployed.

Redeployment comes in a number of guises. Some or all of these may fit employees:

1. Traditional redundancy, often accompanied by outplacement services
2. Internal redeployment
3. Transfer to the new organisation (shared service centre or outsource service provider)
4. Retirement (including early or partial retirement where applicable)
5. Sabbatical or leave of absence
6. Flexible working schemes (part time, job share, flexible hours)
7. Retraining, leading to redeployment in other areas of the business
8. Voluntary attrition or separation

Redeployment of displaced employees either out of the company (through separation, redundancy or retirement) or internally through retraining, internal recruitment and flexible working schemes is an emotive and complex issue that demands careful management. Employees displaced should be viewed as assets, not liabilities, and managed accordingly - otherwise valuable human capital will be lost to the business which could otherwise be utilized to create value and offset

future recruitment and training costs.

Redeployment is the movement of an employee from one position to another position within the same agency or the movement of an employee, or an employee and a position, from one agency to another under the following circumstances:

- The move is due to an enterprise-wide project that results in the need to utilize an employee's competencies for greater effectiveness in another area of an agency or in another agency, and
- There is no break in service.

Right Management (2009) ^[8], a manpower company defines redeployment as the systematic migration of talent from a redundant role and business area to a productive role and *business* area which successfully addresses all of the challenges organisations face when navigating organisational change.

Right Management shows that more organizations are employing an innovative strategic approach to workforce management - seeing an opportunity to re-evaluate workforce needs in growing sectors of the organization by redeploying talented employees impacted by organizational change to new roles within the company. With better alignment of business needs and talent needs, organizations can meet the challenges presented by the growing shortage of highly skilled workers by holding on to talented and high-potential employees through organizational change.

Offering a redeployment solution can play a valuable role in corporate strategy to effectively manage the workforce. Tools and resources in a redeployment solution assist individuals in effectively managing their own careers, identifying new roles that align their competencies with organizational needs, or assisting them in transitioning to new opportunities outside the company. This commitment to employees' continued success will help them to effectively navigate change, ensure high levels of engagement, and position the organization to achieve strategic goals, while creating a powerful brand image.



Source: Right Management online survey of 268 senior businesses and HR leaders conducted in April-May, 2009.

Fig 1: Prevalence of Redeployment.

Retaining and redeploying talented and high potential employees during a restructuring can produce individual and organizational benefits by aligning workforce management with broader strategic business objectives. So, while restructuring usually entails downsizing in some units of an organization, it often also requires new hiring in other units. This presents opportunities for aligning an organization’s workforce management strategy with its evolving business strategy. With assistance employees can be redeployed to new, more viable segments of the organization and new positions can be filled internally when existing employees of proven talent and experience are available within an organization.

2. Objectives of the Study

1. To study the rationale behind redeploying employees in the same organization.
2. To find out the reasons why redeployment occurs/ happens in the workplace.
3. To know the relationship between redeployment and retention of employees.
4. To study the effective measures that an organization can take for employees redeployment.

3. Rationale of Redeployment Management

By establishing a positive redeployment culture, any negative or conflicting communications should be mitigated, the organization’s brand identity will be protected and the commitment of retained staff will be boosted. Cost will be avoided in many ways: lower redundancy costs and outplacement costs, increased retention of expensively recruited and trained staff, reduced future recruitment costs,

avoidance of potential litigation and efficient management of communications.

Redeployment of corporate personnel is becoming a regular feature of several national and multinational organisations *Seabury, 2013*. ^[9]From an employee perspective, redeployment can be seen as an opportunity or a threat - more often the latter! We are all subject to feelings of inertia, with involuntary changes to our current circumstances seen as especially undesirable. With careful management and communication, the negative connotations of redeployment can be mitigated and in many cases opportunities for individuals can be created that may not have arisen otherwise. Table 1 shows the benefits and limitations of redeployment.

Twentieth century redeployments often ended up in mass redundancies, where employees were asked to leave the company with no analysis or management of their departure - other than to calculate the redundancy costs. The collapse of many technology companies, and the fall in the world stock markets in 2000 and 2001 saw many long-term, highly valued and expensively trained employees depart with large redundancy checks.

Managing redeployments typically includes a team composed of legal and HR professionals. Increasingly, however, some companies also engage a specialist: *A Redeployment Project Manager*. The additional cost is relatively small and offset by the potential value creation of a well-managed redeployment. The Project Manager will ensure local consistency of communications, provide a single point of contact to help resolve issues and can liaise with the governance team to ensure personnel are available to maintain service levels during transition.

Table 1: Benefits and Pitfalls of Redeployment

Benefits	Pitfalls
1. Key skills are retained and additional costs to recruit lost skills are avoided.	1. Too many changes in job description may foster a sense of instability and fear.
2. Re-skilled staff displays greater engagement.	2. Not many at-risk employees will opt for the programme and even if they opt they might depart after receiving training.
3. Morale of existing employees is raised.	3. Investment in training may not yield desired results.

Poorly managed redeployment is expensive and hits the bottom line just at a time when the company is focusing on reducing

costs. If in-scope employees are not actively managed, service levels may dip during transition, and the handover of key

processes may be jeopardised. These negative effects can be avoided. Employees were redeployed via a number of mechanisms. Some left voluntarily, some moved into positions previously held by contract staff or into current or new vacancies, a few retired or reduced their hours, and some transferred to the outsourcing service provider. The cost saving, just in terms of redundancy cost avoidance totalled

several million dollars; the saving in human capital skills was immeasurable, but truly impressive. Figure 2 indicates how a successful management program can enhance positive redeployment outcomes, minimize costly redundancies and avoid the loss of key staff through poorly managed voluntary separations.

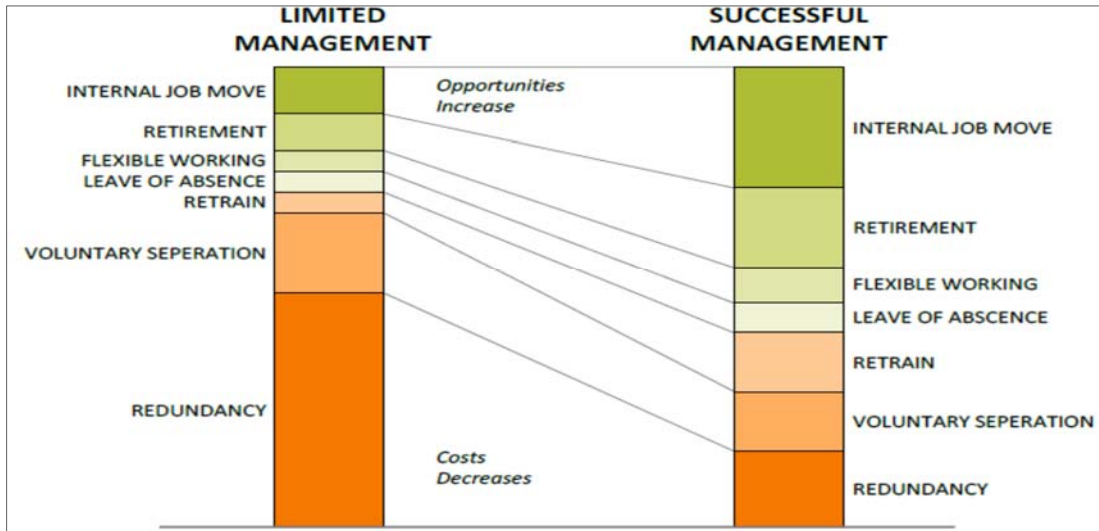


Fig 2: The Impact of Managed Deployment on Employee Redeployment

4. Redeployment and Retention Strategy

Managing the human impact of change is often difficult for managers in any organisation. Often we see organisations make restructuring decisions where the financial outcome outweighs all other associated issues including the employees affected. As a result, employee skills and experience becomes an unintended casualty of the change. But does it really need to be like this?

Redeployment programs provide opportunities for employees elsewhere in the organisation, and most importantly from a managerial perspective, *allow organisations to retain the existing skills and experience within the company.* However, the challenge for many organisations is:

- The ability to provide visibility of opportunities to the employees affected by change.
- The effected employee’s ability to effectively network and market their skills across the organisation, within a limited timeframe.

So how can these impediments be overcome? And what is the cost to an organisation if existing talent and experience walk out the door, purely as a result of a poorly managed redundancy program? Table 2 shows some of the effective redeployment programs and actions that can be adopted by the struggling organisations having the relevant importance and characteristics:

Table 2: Relevance of Redeployment Actions

Redeployment action	Why is it important?
Leadership and commitment	Successful redeployment programs are driven by strong leadership and commitment to the process.
Employees understand the process	Employees need to understand how the process operates and have the confidence it will support them during the period of transition.
A redeployment process which is well understood and consistently applied by the organisation	The process needs to be consistently applied across the whole organisation.
One to one delivery model	Every person undertaking transition has different needs and is seeking to achieve different goals. Engagement models should be flexible enough to effectively accommodate the diversity and issues of the employee population.
Independent, objective and professional career and financial advice	Employees will find it easier to have transition discussions with someone they regard as independent and objective who is not a line manager and they feel has their best interests at heart.
Practical and timely support with relevant tools which employees can readily implement and use	Delivery of assistance must be timely (i.e. the individual can use it) and most of all practical. Having relevant and contemporary support tools (i.e. program manual and online materials) will also complement the one to one support sessions.
Robust and accurate data collection and reporting system	It is important to measure and report upon redeployment outcomes. Using evidence based data to make decisions ensures leaders make the right decisions for the business and assists Transition business leaders to justify the investment in the process.

Building successful recruitment networks across the organisation	For redeployment programs to be successful it is incumbent upon the business to be accepting of redeployees as valuable recruits.
A proactive marketing program	It is important to communicate to all managers the business benefit to be gained by recruiting a redeployee. Broadcasting of successful outcomes will assist in this promotion.
High visibility of available internal roles written in 'plain English' where all applicants are given a fair chance to be considered	For redeployment programs to be successful it is important for the redeployee to feel they have a fair possibility of successfully applying for internal roles. Job descriptions should be written in 'plain English' and should provide sufficient information about the requirements of the role to enable the redeployee to confidently assess whether they will or won't apply for the role.

5. Effective Measures for Redeployment of Employees

Many HR leaders are acknowledging the strategic value in redeployment, and it is becoming an increasingly important way to manage the human impact of change. However, the method of redeploying talent from one position to another requires careful planning and execution in order to succeed, and consulting career transition professionals in this process ensures an effective outcome. For redeployment of employees, organisations have to plan for training and orientation programmes.

Having said that, 100 per cent redeployment would mean that the resources were not optimally utilised in the first place. So it is alright for a company to let go of some of its people, if and when the need arises, say experts. If a company wants to avoid negative press at all cost, it might also offer reduced working hours with concomitant reduction in pay to some employees. Creative redeployment of employees by encouraging them to take sabbaticals on reduced salaries has also worked well in the past. Some effective measures for redeployment are:

5.1 Outplacement

Under this measure career guidance and retraining is provided to the prospective displaced employees so that they can be redeployed elsewhere in the organisation.

5.2 Lay Offs

Layoffs are because of recession in business, power failure, Major breakdown etc. of temporary nature. Employees are called back when normal position is restored. Permanent layoff is because of liquidation of the company. The employees can be absorbed elsewhere in the enterprise where vacancies exist as a result of retirement or death.

5.3 Leave of Absence without pay

This is the method employed by the company to reduce the cost of labour and enable employee to pursue his selfinterest. It also helps the company to eliminate unnecessary jobs. This method helps employees to be aware of future changes.

5.4 Work Sharing

Under this method employees are given the opportunity to share jobs i.e. two employees working half time each. This is a temporary way to solve retrenchment problem.

5.5 Reduced work Hours

Under this method each employee work for less hours, receives less pay.

5.6 Voluntary Retirement

To get rid of overstaffing problems, the government of India has introduced a novel scheme known as Voluntary Retirement Scheme under the caption 'Golden Handshake' for its employees.

5.7 Attrition

Under this method the employees who are leaving the jobs at their own create vacancies. The vacancies are not filled, rather freeze and a ban on employment is imposed.

6. Managing Employee Redeployment - Case Studies of Organisations

6.1 HCL Info systems and Wipro

The opportunity to re-evaluate workforce needs and redeploy talented employees impacted by the change to new roles within the company. And that is precisely what the two companies seem to have done. Instead of letting go of employees who were rendered jobless because of the closure of the PC division, the two have cobbled together a redeployment plan, investing time and training dollars on people to help them take on new roles. It is well documented that a firm's commitment to its employees' continued success not only helps them to effectively navigate change; it also ensures high levels of engagement and positions a firm to achieve its strategic goals while creating a powerful brand image. While the need to redeploy the workforce can arise in any company in any sector, it is of great importance to the IT industry where work is largely project-based and layoffs are common. That apart, since the IT landscape changes faster than anywhere else, the life cycle of businesses and skills is also getting shorter.

Now, a key consideration in redeployment is whether senior managers believe that the downturn in a particular business is temporary or permanent. If it is seen as permanent, as in the case of HCL and Wipro, the only alternative to large-scale layoffs is to retrain high-potential employees to develop new lines of business. An IT expert explains the options before HCL: "If you are an IT company that relies only on the hardware business, get ready for a big shift. Clients now prefer working with vendors on the OPEX model over the CAPEX model. If HCL is genuinely interested in redeploying its workforce, it should reskill people adequately in cloud services as that's where new opportunities are likely to be created. Other smaller players are already getting cloud-ready."

6.2 The Raymond Group

The Raymond Group came face-to-face with a business challenge in 2009. Its manufacturing facility in Thane, Maharashtra, was hit by productivity issues ascribed largely to old and worn out machinery. The company decided to close the unit. The facility had strength of 3,000 employees comprising machine operators and managers. Needless to say, there was great disappointment when the announcement to close down was made, especially among the workmen. Raymond decided to make the option of redeployment available to all. A sizeable part of the workforce, around 2500 workmen, opted out of the 'redeployment programme' right at the start. Of the 500 supervisors and facility managers, 15 per

cent chose to be redeployed. Because of its large manufacturing capacity, Raymond was able to place these people at its other facilities within Maharashtra. Similar roles were offered to the employees in the company's Jalgaon and Vapi facilities.

Since the job profiles were similar, there was no immediate or big need for training. The challenge for Raymond, however, was to make the relocation of employees as convenient as possible. The HR department gave a relocation allowance to

employees who were redeployed. The expense incurred by employees while shifting homes was also borne by the company. Employees got assistance while looking for accommodation in their new job locations. Those who had small children were given a hand in getting school admission. Today, Raymond has 22 manufacturing facilities across India and is well equipped to move people around, if such a situation was to arise all over again. In fact, the company now has documented redeployment policy in place.

REDEPLOYMENT CHECKLIST

- Redeployment policies should be carefully reviewed and carried through by managers trained to implement them.
- Ensure employee appraisals are detailed and up to date so they present an accurate picture of their skills and abilities.
- Short-listing should cover at-risk employees, giving priority to those seeking redeployment.
- Ensure there is sufficient training and trial period and suitable arrangements are in place for trial periods.
- Firms must have liaison arrangements with HR experts/trainers to ensure at-risk employees are aware of the resources available to them and of any benefits they may be entitled to if they do not seek redeployment.
- If there is a legal challenge at any stage in the process, the employer must be able to demonstrate that it gave due consideration to equal opportunity issues.

6.3 Philips India

Last year, when Philips India decided to divest its Lifestyle Entertainment business (including home speakers, DVD players and headphones), a large part of the team of around 80 employees working in that business was redeployed in Hong Kong-based Woox Innovations. Some were absorbed in other businesses across the Philips group companies. The company is proud that the transition was seamless and did not involve any forced exits.

Globally, Philips has a strong focus on training not only for the purpose of workforce redeployment, but also for future preparedness. So when Philips decided to upgrade from traditional lamps to CFL, not only did it upgrade the machinery and manufacturing set up, the entire workforce was trained to meet the new needs as well. The company has recently started a programme called Fit 2 Grow for its HR function with the objective of making Philips India a more efficient and agile organisation. While the core teams became smaller, the company saw this as an opportunity to use the talent that had been freed up to create Centres of Excellence within HR. In doing so, not only was Philips able to manage the redeployment cases well, it was able to promote these Centres of Excellence to work dedicatedly on areas such as talent development and learning.

7. Recognising the True Value of Redeployment

The word 'change' or 'transformation' often incites fear within the workplace. It is often seen as the catalyst for downsizing or removing 'dead wood'. However, by embracing change, having a robust redeployment strategy and support system in place – *the change process can be a positive experience for all* and benefit the organisation in a number of ways. Change is an inevitable part of running a business, as organisations adapt and evolve to meet demands to remain competitive, improve productivity and meet strategic objectives. With change comes

realignment of employees, to remould the workforce to support these needs and this may involve removing obsolete roles, creating new roles as you develop into new areas.

Retaining talent, key skills and knowledge is vital, as is ensuring that employees are able to adapt to the changing organisation during periods of transformation. Making people redundant is expensive, with the average cost of making one person redundant at £16,375 (according to the CIPD). Add to that the cost of losing the skills and knowledge of people departing, and the associated costs of hiring in new people and training.

Redeployment isn't just about saving money however; it plays a much bigger part in *protecting the employer brand* during times of uncertainty, assists with retaining key talent and maintaining morale, ensuring productivity does not suffer. It also helps to create a highly skilled and agile workforce, ready to adapt to future challenges or initiatives.

The right approach?

Redeployment is more than identifying new roles and making them available for your staff to apply for. To take advantage of all that redeployment offers, it requires investment in both time and resources in supporting your employees during the period of change and transition. Any period of change is unsettling and if roles are at risk, individuals are likely to have low self-confidence and may not be able to see how their valuable skills can translate to new roles. The process needs to be handled sensitively and it should be viewed as a collaborative effort, not just a transfer of skills from one area to another.

Supporting employees through the process

Employees need to be supported during organisational change to ensure they engage fully with the process. In order to retain the key skills and behaviours you need to move forward, you need to be able to help employees understand their value, skills

and options now and in the future. When individuals hear the news that their role is no longer required, there will be a period of disbelief, shock or anger – as they feel uncertain of their future within the organisation. A clearly thought out redeployment strategy, will ensure employees are supported from the outset which mitigates any potential risk of disengaging key talent as news of change is announced.

The next step is to ensure alternative vacancies are available for all to access, with clearly articulated role requirements and people specifications. This will give equal and fair opportunities for all to review and consider next steps. If employees are left to their own devices at this stage, it is highly likely that they will feel overwhelmed at the prospect of identifying a relevant role and recognising how their experience and skills would translate into a new role in another part of the business. There is also the chance that opportunities may be missed as employees are unable to identify how their existing skills might transfer to another role, that they have overlooked.

Employees will benefit from support around identifying and articulating transferable skills, knowledge and experience in order build their CV and to apply for internal vacancies. Support shouldn't stop at this point; by also providing guidance at the interview stage it can greatly *increase the success of the redeployment programme* - by coaching employees to present themselves, their experience and transferable skills effectively in person.

7. Conclusion

The Human Resource function often quotes that, "Employees are our company's most valuable asset," but when redeployment looms, are they really treated as such? Most companies retain talent on the basis of domain knowledge, experience, pay, or years of service yet few plan on the basis of future-state skills.

A well thought-out redeployment strategy can result in substantial redundancy and recruitment cost savings. Moreover, there are many indirect benefits such as the positive influence this process can make on staff morale and the re-energising effect moving job roles can have on employees. However, this is not an easy process and there are many challenges that need to be overcome along the way. The key to success is to take an active and pre-emptive approach – both with regard to the way that you communicate and the practical systems that you put in place to facilitate the process. Organisations that take a pro-active approach to redeployment will reap the rewards; creating a dynamic working environment for employees that inevitably helps the business to succeed.

By establishing a positive redeployment culture any negative or conflicting communications could be mitigated, Employer brand will be further protected and the commitment of retained staff boosted. Not forgetting a significant reduction in cost by avoiding redundancy and recruitment costs, whilst benefitting from retaining key talent allowing your organisation to focus on moving forward in a stronger position than before.

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