

Report to Unison and GMB Branch Secretaries

26 July 2012

Subject: Workforce Reorganisation Selection Process - Potential Options

1. Purpose of Report

- 1.1 This report outlines the Council's current approach towards appointing and selecting staff during workforce organisation and hence selecting for redundancy. Moreover this report proposes alternative options that could potentially be pursued by the Council based on feedback received from Senior representatives from both Unison and GMB; and lessons learnt in the organisation from adopting the current approach.

2 Background

- 2.1 The Council has undergone a major workforce reorganisation exercise and at the same time is committed to seeking to avoid compulsory redundancies. This has necessitated the usage of a fair, open, objective and appropriate selection process to identify staff to be appointed to posts. However based on discussions amongst Elected Members and Trade Union representatives the time has come to examine the current selection approach and consider alternatives as we approach the next budget round for 2013/2014.

3 Current Approach

- 3.1 With regard to our current approach for appointing staff to new structures a competitive appointment process is used. This has included requesting staff to complete an expression of interest form, which has involved providing evidence that meets the essential criteria of the person specification of the post, as well as relevant supporting information. This has been followed by a competency based interview, which for many employees has included delivering a presentation. Finally individual interviewees have been scored using an internal scoring system, which has informed the selection decision.

- 3.2 The appointment process has been supported by the Council's Employee Support Programme that has included workshops delivered by Corporate Learning and Development acclimatising employees to what they can expect during the interview, which has covered tips and techniques for approaching the interview effectively, amongst other things.

In addition, workshops have been delivered to appointing managers to enable them to understand clearly their role and responsibilities, as well as the process. The advantages and disadvantages of the interview method are outlined in Appendix 1.

4 Alternative Options

- 4.1 An examination of best practice amongst local government contacts,

Chartered Institute of Personnel Development (CIPD) information and ACAS has revealed that the main approaches towards selecting for redundancy include incentivising staff with enhanced severance payments; the appointment method including interviewing employees; skills and performance matrices using a number of criteria to inform decisions; and Last in First Out (LIFO) arrangements.

- 4.2** Discussions between HR and Senior Trade Union representatives have highlighted that an alternative approach that could be considered by the Council includes partly adopting the matrix method whilst also retaining the interview approach.

The matrix itself would involve utilising a variety of criteria to assess the quality of work of each employee, which in turn could inform the selection outcome. This could potentially include examining:

- Attendance records (with the caveat of excluding absences which relate directly to disability, pregnancy/maternity or industrial disease, industrial accident or industrial assault)
- Disciplinary records
- Time keeping
- The outcome of appraisals. However this would take time to embed within the organisation and would necessitate a robust appraisal scoring system so would be unrealistic for this budget round.

- 4.3** To avoid unfair selection for redundancy within the selection pool an order of ranking needs to be established by assigning a scoring and weighting system to each criteria to maximise objectivity. In addition, it is important that the scoring panel has access to sufficient information on each individual so that an informed judgement can be made. Once agreed for a specific redundancy situation, scoring systems and weighting systems cannot be altered to change the results. The scoring systems and weighting protocols will be agreed with the Trade Unions.

- 4.4** With regards to outcomes, an employee who is declared redundant on the basis of selection criteria that uses a skills or performance matrix has the right to see a breakdown of their score and should be given information about their position on the matrix relative to other employees in the selection pool if they request it. However they should not be given the specific scores of other employees in the selection pool but this information would be able to be disclosed at an employment tribunal in the case of a claim of unfair selection for redundancy. The advantages and disadvantages of the matrix method are attached as Appendix 2.

5. Options for Consideration

- 5.1** With regard to the application of the interview and matrix method, some of our options include:
- In a larger worker group use the matrix to reduce the numbers of employees to a smaller size and subsequently interview the remaining employees.
 - Use the matrix whole scale to those worker groups whose work lends

itself to quantifiable measurement, for example, former manual staff and staff in transactional areas whose work is more able to be measured.

- Use the matrix for those worker groups that have been subjected to interviews for successive budget rounds for example worker groups that have been interviewed for two years running for posts.
- Retain the interview approach in areas that have not had a workforce reduction and do not use the matrix in these circumstances.
- Ensure when interviews are carried out that interview questions are appropriate and relevant to the post applied for.

6. Embedding the Revised Approach and Awareness Raising

6.1 If the Council were to pursue the option of adopting the revised selection method to select for redundancy, preparatory work would be required to ensure that an objective scoring and weighting system is agreed with the associated points. This would need to include a system for assessing employees' capability with suitable criteria, a method for apportioning points for absence including a suitable equation to cover the number and duration of absences, a system for scoring disciplinary records all to be consulted upon and agreed with the Trade Unions. The organisation would also need to be adept at collating and storing the entire matrix information with the required checks and balances built in to justify their allocated scores.

6.2 An awareness raising programme and communication plan would be required to support the organisation through change outlining how the new system will operate. The learning and development delivery vehicles could include face-to-face workshops and e-learning to provide knowledge/information based learning. This would need to be supported by effective HR guidance describing the system, as well as Operational HR support to Directorate Managers.

7. Timescales and Implementation

7.1 With regard to the timescales required to ensure an effective system is in place we could aim to have a fully consulted upon scoring and weighting selection matrix by October/November 2012 for adoption during the 2013/14 budget round. A timeline to achieve this is attached as Appendix 3.

7.2 However given the amount of time and work it would require to embed a new rating method within the appraisal system and the associated consultation required it is improbable that we would have a sufficiently robust appraisal scoring system as part of the matrix for the year ending 31 March 2013 but should aim to have the appraisal part in place for the year ending 31 March 2014.

8. Contact Details/Papers

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Advantages and Disadvantages of the Interview Method

The advantages of using the interview method include:

- They provide an opportunity for employees to describe their experience, skills and knowledge during an interview with an equal chance to represent themselves to the panel.
- Interviews are a well known custom and practice to assess employee experience, knowledge and skills within organisations; albeit some employees may have experienced a large gap in duration between interviews or not experienced an interview at all in some circumstances.
- There can be a perception of fairness due to everyone going through the same process and a sense of control through active participation from employees.

The disadvantages of using the interview method include:

- There is reliance upon performance at interview on the day potentially giving employees that excel in interview situations an inbuilt advantage.
- Recruitment criteria are more subjective and hence less defensible.
- The appointment process for managers is time intensive in terms of organisation, participation and feedback.
- Some employees have challenged the consistency and objectivity of interviews where the organisation has relied heavily upon the relative competency of managers to facilitate appointment processes.
- Decisions are also restricted to snap shot interviews as opposed to a holistic view of an individual.
- Due to their conveyor belt nature, interviewing panels could experience fatigue potentially detrimentally impacting on quality of decision making.

Advantages and Disadvantages of the Matrix Method

The advantages of using the matrix method include:

- It enables a range of measures with associated longevity to be taken into account when selecting for redundancy and not simply relying upon an interview snapshot performance on the day.
- This method could potentially decrease the levels of anxiety and stress experienced by staff undergoing workforce reorganisation.
- The matrix method could be perceived as more fair due to its holistic nature.

The disadvantages of using the matrix method include:

- Preparatory work would be required to ensure the system is robust including appropriate consultation, negotiation and information for staff.
- Case law emphasises information for staff about the criteria used and an explanation of the scoring system methodology is imperative.
- For example, in *Pinewood Repro Ltd T/A County Print v Page* an employee was informed that overall he had received the lowest score in a selection matrix covering attendance, quality of work, productivity, abilities, skills, experience, disciplinary records and flexibility. However the employer failed to give him an adequate explanation of why he received lower scores than two other employees in the selection pool. The Employment Appeal Tribunal confirmed that he had been unfairly selected for redundancy due to an inadequate explanation of the scoring system with no meaningful chance to comment on the scores and challenge them.
- Some staff may find the matrix method disempowering hence increasing their propensity to challenge decisions