

# Rebuilding Morale after Redundancies



## The Current Challenge

In a recent survey of 266 organisations, nearly 58% reported an adverse effect on morale following redundancies<sup>1</sup>. We all tend to under-estimate just how negative the impact of redundancies can be on our organisations. So what are some of the things we can do to mitigate this, or in fact build morale during these challenging times?

## Top - Down

One strategy is to increase your visibility amongst your employees. Great leaders always step up in tough times or a crisis and they play a critical role in facilitating, maintaining and building employee morale. More talk, more visibility, more accessibility. Talk about the future in positive terms and be realistic and honest with the facts. For most employees hearing bad news is better than no news at all or relying on gossip and they feel more positive and committed when they see their leaders setting the example. Having the right message and communicating clearly and regularly will keep everyone's heads up and focused on the right business issues rather than on rumour and assumptions. Make a conscious effort to engage your employees at every opportunity.

## Bottom - Up

Secondly, asking employees for their views on issues affecting the business, particularly when the pressure is on, will always make them feel engaged and valued – providing you act on what they have to say. Employee surveys are an ideal way to tap into the creative energy and the 'ideas bank' that exists in every organisation. When you ask for their views on factors like how the company and individuals are performing, how well the organisation is led, how change is dealt with, and the rewards they receive, you often find innovative ideas for improvement rather than grumbling groups bemoaning their lot.

When working with a client recently, their employees identified that the existing bonus scheme was too loosely linked to actual performance. This meant that payments were uncertain and perceived as unfair (sound familiar?) We were able re-design the reward system which had a "good times" legacy and make sure that any future bonus payments were directly linked to personal performance. Employees now feel more accountable and proud of their own contribution, which is aligned with the organisation's overall goals.

## **STOP PRESS. NEW MINIMUM WAGE RATES. STOP PRESS.**

The new minimum hourly wage rates, effective from October 2009, have just been published:

Aged 22 and over - **£5.80**;    Aged 18 to 21 - **£4.83**;    Aged 16 to 17 - **£3.57**

## Need further help?

If we can help with either of these topics or indeed any issue associated with the employment or performance of your employees, simply call us on **01708 758958** or visit us at [www.hrinsight.co.uk](http://www.hrinsight.co.uk).

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<sup>1</sup> Personnel Today March 2009