HR Human Resources at UC Berkeley

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Guidelines for Department Reorganizations

Introduction

Managers often review their operations to determine whether there are performance gaps and opportunities for improvement. Sometimes improvements require changes in staffing, including reassignments; changes in roles and responsibilities; or elimination of positions.

These guidelines are divided into two sections:

Section A: A brief introduction for those anticipating changes as part of major restructuring and who may be going through something like this for the first time. It highlights:

- The basic steps to improving operations.
- The planning steps that typically precede decisions.
- Resources available to support your analysis and decision making.

Section B: The steps to follow when it is determined that layoffs will occur and the process is ready to begin.

Note: Regardless of whether or not this is your first time initiating or managing an organizational restructuring effort, these guidelines are not a substitute for involving subject matter experts referenced in each section and at the end of the document. We want to partner with you to achieve your organizational and operational goals.

Section A – Basic Planning

Step 1. Engage stakeholders

- If you are not already working with your Vice Chancellor or Dean, advise him or her that you are beginning planning for operational improvements.
- Plan how to communicate to your manager, internal constituents, related departments, and others about the improvement effort at its initiation and throughout each step.
- Put an analysis and planning team together that, ideally, includes:
    - Key department managers.
    - Representatives from other departments who are involved in your business processes, especially if they cross organizational lines.
    - An IT support person (if your analysis involves possible systems solutions).
    - Your Human Resources Representative.
    - A -Maverick‖ who thinks out of the box.
- Meet with key stakeholders of your unit, including your manager and your customers, to determine their expectations for the services and programs you provide.

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Step 2. Review Your Vision and Mission

- Review your unit's mission (what you do, for whom, how).
- Review your key constituents and stakeholders and their needs. Identify possible partners.
- Conduct a quick external scan (what challenges and opportunities are emerging?) and internal scan (what are your group's current strengths and weaknesses?).
- Describe your desired future or vision.
- Identify goals or outcomes you need to accomplish to move toward this vision.
- Update your mission to reflect what you have learned.

Step 3. Analyze Current Processes

- Identify current core functions (e.g., human resources, finance, IT, student advising). List and briefly describe key business processes for each function (e.g., recruiting, travel processing, desktop support, advising on graduation requirements).
- Identify reasons for the change and how it will support and add value to the department, control unit, and/or campus. Following are some steps to consider:
  - Define the problem: determine levels of stakeholder satisfaction, causes of problems with services provided quality, speed, responsiveness, and areas for improvement
  - Measure the current process by collecting relevant data. This may include:
    - Review unit policies to identify areas for improving services and/or efficiency, e.g., eliminating redundant approvals.
    - Review how the existing structures are enabling or hindering successful business processes.
    - Identify relationships between department business processes and those in other units, including vertical and horizontal relationships.
  - Compare your data to known benchmarks and identify performance gaps, i.e. gaps between actual vs. desired performance.
  - Identify your opportunities for cost reduction, improved efficiency, and/or increased effectiveness and set improvement targets which may include:
    - Elimination of non-value added processes that do not further your unit's vision and mission.
    - Standardization, simplification, and enhanced use of technology.
    - Clustering services where processes cross organizational boundaries (Include leaders and members of involved departments in considering opportunities to cluster services).
  - Prioritize the change work that lies ahead: develop a reasonable timeframe considering impact on service providers and end users.
  - Articulate the reasons for change, quantitatively and qualitatively, to the stakeholders.

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Step 4. Redesign Processes

Restructuring is often the result of redesigning our business processes. The goals are to:

- Improve customer and stakeholder satisfaction.
- Improve efficiency; e.g., eliminating redundant approvals.
- Reduce cost and risk.

The new processes should:

- Improve information flow, decision-making and communication between roles.
- Identify new authorities and accountabilities.

Determine if a different organizational structure is needed to support the improved business processes, to support customer needs, to meet department and university goals, and to achieve desired outcomes.

- Do reporting lines need to change? – Define new reporting lines with attention to:
  - Clarifying roles of new/existing positions.
  - Ensuring decision-making processes and authority levels are clear.
- Are there new staffing needs?
  - Assess the skills, knowledge, and experience of department employees including potential and readiness for new assignments.
  - Consider how the changes will affect employees, and plan for transitions. Identify:
    - New performance requirements, goals, and training for existing staff.
    - Job requirements, goals and training for new positions.
    - Outplacement and layoff strategies and coaching for managers (See Section B).
- Are your changes in alignment with pan-university goals?

  Ensure supervisors are managing adequate numbers of employees to fully utilize their supervisory skills.

Determine whether the proposed new structure is in alignment with those in other units, vertically and horizontally, as appropriate.

Step 5. Develop an implementation plan

A successful implementation relies on clear governance of the change process. Your plan might include:

- Clarifying who has the decision making authority.
- An updated description of the mission, vision, and goals of the unit. Ensure that these are in alignment with those of the larger organization.

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- The timeframe and implementation plan for changing business processes, organizational roles, and the organization structure, if needed.
- Before and after flow charts to help clarify the transition of business processes.
- A new organization chart.
- Job descriptions for the new positions, classified by Compensation.
- A plan for filling positions in the new structure. Options include lateral reassignments as well as full recruitments for all new positions. Managers are strongly encouraged to consult with both Employee Relations and Employment Services experts regarding filling positions. Large scale restructuring may involve recruiting for all new positions, and Employment Services can assist with skill assessments and developing a recruitment plan.

Resources in the planning stage

There are numerous resources available to help with planning changes to business processes and the organizational structures that support them. For example, the Center for Organizational and Workforce Effectiveness (COrWE) can help with:

- Business process analysis and process improvement designs.
- Development of a strategic plan that includes the vision, mission, and goals of the unit.
- Change management plans and communications strategy throughout the analysis, planning, and implementation steps.
- Facilitation of effective teams, including the addition of other areas of expertise as needed.

Resource experts across Human Resources can assist with planning for staffing changes that involve redefining positions, downsizing, or expanding areas of expertise.

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Section B – Preparing for and Conducting Layoffs

Step 1. Engage Partners

As soon as it is determined that layoffs are imminent, it is important to meet with your human resources experts. These may include:

- Your department HR manager.

  If you are served by a shared services center, your representative in the center[1] will be your primary guide through this process.
- An Employee Relations, Compensation, and/or Employment Services representative in central HR who will assist the department HR managers throughout the process.
- A member of the Employment Services - Transition Services Team.
- A Benefits expert if you do not already have that covered by one of the people above.
- Labor Relations, if represented positions are involved.
- COrWE, if assistance is needed with business process planning or organizational goals (see Section A).
- CARE Services to provide support to both management and staff.

Employee Relations can help:

- Plan changes in position assignments, methods of filling new positions in the new structure, and the sequencing of actions.
- Bring in other resources as needed, such as Labor Relations, Compensation, Employment Services, Benefits, and CARE Services.

Compensation can help:

- Discuss classification options prior to selecting or finalizing specific job descriptions, which will help expedite the classification process for the restructured organization.
- Understand position management, how work flow captures the nature and level of work required within the unit, and how restructuring work impacts classification levels.

Either COrWE, the HR Center, or ER can help:

- Clarify the business goals of your reorganization, and be a sounding board for discussion of different options..
- Analyze scope of the proposed changes, define requirements, and timeframes.

Employment Services can help:

- Develop recruitment strategies to fill new positions in the new structure.
- Support the department and employees in the transition process. The Special Placement Coordinator and Transitions Services Team are available for informational meetings before or

[1] The new HR Center serves employees in the Administration control unit, OCIO/IST, and the Chancellor's Office. It opened in July 2010.

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after layoff notifications. Job search strategies and layoff rights are shared at these meetings.

Step 2. Develop an ongoing Communication Plan [2]

Planning and carrying out communications will help mitigate adverse impacts to keeping employees engaged and productive in the face of organizational changes. Consider identifying a point person and a back-up for coordinating information needs for all involved and impacted.

- Identify the different groups you will need to communicate with throughout the implementation. Decide who will draft messages, the types of message delivery (in-person, emails, memos, etc.), and the timing of communication.
- Determine if creating an Intranet web site is an appropriate tool in your reorganization plan. It can help with rumor control.
- Determine if a meeting with unions is necessary. Coordinate with your Employee Relations Consultant, who will communicate with Labor Relations.
- Schedule review meetings with management and Control Unit contacts.
- Develop preliminary schedule of informational meetings with staff.
- Ensure that new performance requirements are established and communicated to all staff. Regularly communicate mission, goals, purpose of new structure, service metrics, and standards for success with staff.
- Facilitate ongoing communication by remaining open to suggestions and concerns.
- Include regular meetings that will provide feedback from management, staff, and client groups.
- Continue to communicate with your employee relations representative to discuss new issues as they arise.
- Consult CARE Services for assistance as needed.
- Build an effective team *(also see Chapter 14, Team Building in the Guide to Managing Human Resources).*
- Encourage all team members to share information.
- Support brainstorming and consultation prior to decision-making where appropriate.

Step 3. Prepare for Staffing Changes

Prepare a spreadsheet with the names of everyone in the current organization and, for each employee, indicate:

- Job title (with time base percentage).
- Hire date.
- Seniority points, if applicable.

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[2] While you are developing and implementing a **Reorganization Action Plan**, you should be simultaneously updating your **Communication Plan**—adjusting dates/timelines as needed. Visit http://administration.berkeley.edu/commguide/planning.htm for help on preparing a communication plan.

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- Personnel plan (i.e., PSS, MSP, union if represented).
- How the employee will be affected by the structural changes, e.g., job will be eliminated.
- Anticipated layoff (indefinite, temporary, reduction in time), if applicable.
- Physical location.
- Gender, ethnicity, age (for evaluation of disparate impact).
- Supervisor.

Prepare a spreadsheet for all new positions in the new structure and indicate:

- Job title (with percentage).
- Personnel plan.
- New supervisor.
- Physical location.

Prepare a timeline (update as needed) with dates for:

- Communicating with managers, supervisors, and staff at critical points during the restructuring.
- Notifying employees (staff and appropriate manager) who will be affected by the intended changes.
- Meeting with those affected (multiple meetings with managers and staff may be needed; consultation with those who have been through a restructuring process can be helpful).
- Executing the recruitment plan to advertise new positions or initiate reassignments[3]
- Completing staffing of the new center or office.
- Providing progress reports on updates to the unit or department.
- Initiating layoff activity if needed, including detailed transition plans for each affected employee.
- Completing layoff actions if needed.
- Training existing and new staff.
- Identifying length of the transition period for each function.
- Launching of new service(s) offerings, if applicable.

Step 4. Prepare the layoff plan

The following is a list of tasks involved with the layoff process. If you are part of the HR Center, your representative in the Center will be taking care of most of these actions for you. If your department is not part of a shared services center, your department human resources manager will need to address the items below:

[3] If you will have any -exceptions‖ (to the recruitment policy) you will need to plan for longer notice timelines, as well as to submit for special waiver approval from the AVC for Human Resources. Coordinate with your Employee Relations Consultant to set up a meeting to discuss options. The ERC will bring in other resources (Labor Relations, Employment, CARE Services) as needed.

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1. Contact your employee relations consultant (ERC) in central HR or the HR Center early to set up a planning meeting. The ERC will assist with bringing in other resources as needed (e.g., Labor Relations, Transition Services, CARE Services, and Benefits), and will also coordinate the review for disparate impact, if applicable. Be sure to review: http://hrweb.berkeley.edu/er/layoff.
2. Determine notice requirements (per policy and collective bargaining agreements).
3. Identify someone in your department who can work closely with HR staff on the calculation of seniority points. Prepare seniority lists and submit to your representative in the HR Center or central HR for hire date verification.
4. Establish order of potential layoffs based on seniority points, or special skills requirements (if out of seniority).
5. Allocate additional time for processing out of seniority layoffs.
6. Prepare Attachment A: Information Regarding Layoffs and notice letters; review documents with your Employee Relations Consultant.
7. Schedule layoff appointment meetings with the Employment Services Special Placement Coordinator after notifying Transition Services of the number of layoffs and affected positions.
8. Schedule delivery of layoff letters to individual staff; prepare script, and identify who will handle the meetings.
9. Send notices to employees and work with Labor Relations on notification of unions as appropriate if new jobs are to be posted.
10. Schedule a meeting with the rest of the staff (following the layoffs); prepare script.
11. Schedule reassignments of staff if applicable; prepare script.

If you have new positions opening at the same time:

1. Send the new positions to Compensation for classification.
2. After your job descriptions have been classified by Compensation, submit job posting requests to your Control Unit Administrator for approval (see: Hiring Freeze Guidelines http://hrweb.berkeley.edu/employment/hiring/freeze).
3. Post your job in the Talent Acquisition Manager (TAM).

Plan communications to external customers and stakeholders to announce the reorganization and new staffing.

Encourage those in new supervisory roles to attend a ―Keys to Enhance Your Supervisory Success‖ (KEYS) workshop to expand their skills and knowledge.

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Resources in the layoff stage

There are numerous resources available to assist managers and staff during the layoff process. Depending on whether or not your unit is receiving services from an HR shared services center, the resources may vary, but include many of the following:

- Department HR managers
- For those in the Administration control unit, OCIO/IST, and the Chancellor's Office - the HR representative in the new HR Center: http://hrweb.berkeley.edu/about/contact/hr-center/assignments
- For department HR managers, Employee Relations Consultants in central HR (see http://hrweb.berkeley.edu/about/contact/er/assignments for ERC Assignments and Services)
- Employment Services in central HR: http://hrweb.berkeley.edu/about/contact/employment/assignments
- Compensation Consultants in central HR: http://hrweb.berkeley.edu/about/contact/compensation/assignments
- Transition Services in central HR: http://hrweb.berkeley.edu/employment/transition
- Benefits: http://hrweb.berkeley.edu/benefitsCOrWE, for organizational change and development: 510-643-4094 or COrWE@berkeley.edu
- CARE Services: http://uhs.berkeley.edu/facstaff/care/index.shtml