

Unit 25: Manage redundancy and redeployment

Unit reference number: M/506/2044

QCF level: 4

Credit value: 6

Guided learning hours: 39

Unit summary

There will be occasions when a business will need to close, reorganise or relocate some of their business activities and the impact of these changes may result in the need to reduce their staffing levels or redeploy staff in other areas of the business. If there is a decline in customer demand for the products or services a business may need to reduce costs or sell their business and this could again result in the need to reduce staffing levels or to redeploy staff in different job roles.

In this unit you will learn how to manage the redundancy and redeployment processes. You will gain an understanding of the legal requirements that relate to both the redundancies and redeployment processes, and the steps that must be followed to ensure that these processes are fair and non-discriminating. You will learn the impact that redundancies and redeployment can have on both individuals and the organisation, and gain an understanding of the information and guidance that needs to be available for employees who will be retained and those who will be made redundancy or redeployed. This unit will provide the opportunity for you to manage both the redundancies and redeployment processes.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria outline the requirements the learner is expected to meet to achieve the unit

Learning outcomes	Assessment criteria
1 Understand the management of redundancy	1.1 Explain the legal requirements that relate to the management of redundancy 1.2 Explain the conditions required for a redundancy and their implications 1.3 Explain possible ways of avoiding redundancies 1.4 Explain the factors involved in identifying the pool for redundancy selection 1.5 Explain the factors involved in developing an appeals process 1.6 Explain the process for planning and managing a redundancy 1.7 Evaluate the implications of voluntary and compulsory redundancy on individuals 1.8 Evaluate the implications of voluntary and compulsory redundancy for organisations 1.9 Evaluate the type of information required by staff who are retained 1.10 Evaluate the type of information required by staff who are made redundant 1.11 Assess the role of outplacement in redundancy

Learning outcomes	Assessment criteria
<p>2 Understand the principles of redeployment</p>	<p>2.1 Explain the concept of redeployment</p> <p>2.2 Explain the legal requirements that relate to the management of redeployment</p> <p>2.3 Explain the process for planning and managing a redeployment</p> <p>2.4 Evaluate the type of information required by staff who are retained</p> <p>2.5 Evaluate the type of information required by staff who are redeployed</p> <p>2.6 Evaluate the benefits and limitations to an organisation of redeployment</p> <p>2.7 Assess the role of project management techniques in the management of redeployment</p>
<p>3 Be able to manage a redundancy</p>	<p>3.1 Evaluate the available options for avoiding a redundancy and their implications</p> <p>3.2 Develop a redundancy plan and timetable that addresses redundancy objectives</p> <p>3.3 Take action to ensure that redundancy payments are calculated accurately</p> <p>3.4 Use an appropriate method for communicating the outcome of a redundancy decision</p> <p>3.5 Make agreed support services available to those who have been made redundant</p>

Learning outcomes	Assessment criteria
<p>4 Be able to manage the redeployment of staff</p>	<p>4.1 Explain to redeployees the reasons, purpose and benefits of redeployment</p> <p>4.2 Develop a redeployment plan that addresses agreed objectives</p> <p>4.3 Use an appropriate method for communicating about redeployment</p> <p>4.4 Make agreed support services available to those being redeployed</p> <p>4.5 Adhere to organisational policies and procedures, legal and ethical requirements for the redeployment of staff</p>

Unit amplification

AC1.1: Explain the legal requirements that relate to the management of redundancy

- *Employment Law:* the impact of current UK legislation on the redundancy process; the impact of EU legislation on the redundancy process; appropriate procedures implemented; implementation of a fair and non-discriminating process

AC1.2: Explain the conditions required for a redundancy and their implications

- *Reasons for redundancy:* closure of the organisation; need to cut expenditure by reducing staff numbers; change in business activities; external factors; introduction of new technology; employees do not have relevant skills and knowledge
- *The redundancy process:* criteria for selecting job role; criteria for selecting staff for redundancy
- *Implications:* maintain efficient service with reduced staffing levels; impact on retained staff; impact on morale and motivation; impact on reputation

AC1.3: Explain possible ways of avoiding redundancies

- *Ways to avoid redundancies:* natural wastage; early retirement; using current employees to fill any vacancies; training or retraining; reducing hours or overtime; limiting the recruitment of permanent employees; reducing the use of temporary or agency staff; redeployment to a different location

AC1.4: Explain the factors involved in identifying the pool for redundancy selection

- *Process for selecting employees:* fair; non discriminating
- *Selection process:* last in, first out; volunteers; review of disciplinary records; skills, qualifications and experience

AC1.5: Explain the factors involved in developing an appeals process

- *Organisation process and procedure:* informing employees of appeals process: timeframe for appeals; representation; refusing the appeal; upholding the appeal; informing employee of the outcome
- *Benefit for organisation and employees:* opportunity to resolve issues early; identifies and deals with complaints; may reduce the need for a tribunal; awareness of employee reactions

AC1.6: Explain the process for planning and managing a redundancy

- *Planning the redundancy process:* informing managers or team leaders; notifying and consulting with all employees; selecting staff for redundancies; informing employees of notice periods and payments; providing the opportunity for staff to appeal
- *Steps in the redundancy process:* consultation with employer e.g. sharing of information, involvement of unions or representation; redundancy pay e.g. statutory redundancy payments, minimum service time; notice period; time off to search for a new job; appeals process e.g. organisational process and procedure
- *Managing the redundancy process:* effective communication skills; knowledge of current legislation; complying with organisational process and procedures; psychological impact e.g. illness and stress, staff morale and motivation

AC1.7: Evaluate the implications of voluntary and compulsory redundancy on individuals

- *Compulsory:* no choice; forced to leave job role; formal selection process
- *Voluntary:* choice; avoids selecting employees for compulsory redundancy; incentives; less stressful; opportunity for career change or retraining
- *Implication of redundancy:* loss of regular income; potential of finding new employment; impact on home life
- *Psychological impact of compulsory redundancy:* impact on employees and colleagues; impact on morale, motivation and self-esteem; stress

AC1.8: Evaluate the implications of voluntary and compulsory redundancy for organisations

- *Implications of redundancy:* loss of skills, knowledge and expertise; structural changes; change in job roles and responsibilities; effective management of morale and motivation of retained employees
- *Impact on retained employees:* lower morale; decrease in motivation; emotional; uncertainty of future; additional or change in work tasks

AC1.9: Evaluate the type of information required by staff who are retained

- *Type of information required:* any change in job role or responsibilities; future for the organisation; job security

AC1.10: Evaluate the type of information required by staff who are made redundant

- *Type of information:* selection process; notice period; payments; timescale involved; impact on pension; holiday entitlement; information on claiming benefits; references for potential job roles; appeals process; contact details for union representation; support available

AC1.11: Assess the role of outplacement in redundancy

- *Outplacement:* range of provision and support available; benefits for organisation; benefits for individuals

AC2.1: Explain the concept of redeployment

- *Redeployment:* definition; reduces the need for redundancies; reasons for redeployment e.g. decline in one area of the business, end of a fixed term contract, a change in individual circumstances such as illness

AC2.2: Explain the legal requirements that relate to the management of redeployment

- *Employment Law:* the impact of current UK legislation on redeployment; the impact of EU legislation that requires organisations to take an active approach to redeployment

AC2.3: Explain the process for planning and managing a redeployment

- *Planning redeployment:* matching vacancies to individual employee skills, knowledge and expertise; consultation with employee; outline of job role and responsibilities; revising and reviewing the employment contract to account for changes; offers in writing; acceptance or rejection of job offer
- *Managing redeployment:* effective communication skills; knowledge of current legislation; complying with organisational process and procedures

AC2.4: Evaluate the type of information required by staff who are retained

- *Type of information required:* changes in job role or responsibilities; changes in pay structure, incentives and bonuses; impact on contract and pensions; changes in working hours and holiday entitlement; future for the organisation; job security

AC2.5: Evaluate the type of information required by staff who are redeployed

- *Type of information required:* new role; job role and responsibilities; position in organisational structure; authority and accountability; terms on offer; skills, knowledge and experience required for job role; pay and bonus rates

AC2.6: Evaluate the benefits and limitations to an organisation of redeployment

- *Benefits of redeployment:* reduces the need for redundancies; retains valuable skills, knowledge and experience; no redundancy payments; removes costs and time involved in the recruitment and selection of staff to fill vacancies; reduces the time spent on induction and training; increase in employee commitment and loyalty
- *Limitation of redeployment:* no opportunity to access new skills and knowledge; retraining of existing employees; retaining employees with average performance

AC2.7: Assess the role of project management techniques in the management of redeployment

- *Project management techniques:* e.g. project work plans; charting e.g. Gantt Load; analysis e.g. PERT, critical paths; risk management logs; dependencies, responsibilities