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# STEPS TOWARDS SOUND CHANGE – initiatives for ensuring employee well-being during restructuring



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## Foreword

Restructuring is a permanent feature in our economy. All of us working today's globalized world will sooner or later experience restructuring in one form or another. The goal of an organisational restructuring is better performance and preparedness or adaptability to changing circumstances. By restructuring, we mean an organisational change that is much more significant than a commonplace change and one that involves an entire company (1). Organisational change is a significant challenge both for employers and employees. The day-to-day work should be accomplished at the same time that the change process is carried out.

Restructuring may mean, for example:

- *Relocation*: The activity stays within the same company, but it is relocated to another location within the same country.
- *Offshoring / delocalisation*: The activity is relocated or outsourced outside the country's borders.
- *Outsourcing*: The activity is subcontracted to another company within the same country.
- *Bankrupt / closure*: An industrial site is closed or a company goes bankrupt for economic reasons not directly connected to relocation or outsourcing.
- *Merger / acquisition*: Two companies merge or a company undertakes acquisitions which then involve an internal restructuring programme.
- *Internal restructuring*: The company undertakes a job-cutting plan or other forms of restructuring that are not linked to a specific type of restructuring defined above.
- *Business expansion*: A company extends its business activities, hiring new workforce

(European Monitoring Centre on Change )

The way the organisational changes are carried out in the organisation is important to the success of the change. The key challenge is often how to make sure that after the changes are made, employees will be motivated to work and will feel well and that the primary, production-related goals of restructuring will be reached. The aim of this guide is to provide ideas for managers (top and middle), human resources management and the other stakeholders involved in the organisational change processes, including what actions they can take to make sure that the change process is handled in a sound way.

The ideas presented in this guide are based on the work carried out as part of the PSYRES project (*Psychological health and well-being in restructuring: Key effects and mechanisms*) in which four research institutions from Denmark, Finland, the Netherlands and Poland participated. In the project, we gathered information on different types of restructuring processes and focused not only on the effects of restructuring on employees, but also on the working mechanisms. To gain insight into the effects of restructuring we analyzed data from different surveys but also data gathered by interviews and workshops.

As part of the PSYRES project we conducted workshops in each of the four countries. Participants were employees, managers, HR and other key stakeholders in managing change processes. The aim of the workshops was to identify the strategies organisations use to manage change processes. The initiatives presented in this guide are therefore based on real organisational changes and experiences on how restructuring should be carried out in a sound way. We are grateful to all the people participating in the workshops who shared their experiences and knowledge on organisational changes and effects of them on well-being of employees.

More information about the project and its results can be found on the project webpage, <http://www.psyres.pl/>, and from the book “Exploring the link between restructuring and employee well-being”(6).

# **I. Facts about the effects of restructuring on employee well-being**





It is evident that restructuring has an impact on employees' health and well-being and that the effect is unfortunately often negative. Not only the health and well-being of the ones that are laid off is affected, but also the well-being of the ones that stay behind, the "stayers", who continue working in the organisations and who are ultimately responsible for meeting the production-oriented goals of restructuring. Taking care of the stayers' well-being should thus also be a priority when conducting organisational changes.

It has been established that restructuring has an impact on the way employees feel about their work. Researchers have found that job satisfaction and job involvement decrease during a restructuring process (2, 3) and that particularly restructuring which includes downsizing can have negative effects on health, for example it can lead to poor mental health, more sickness absenteeism and poor physical health (4). It also affects quality of life, for example by decreasing quality of sleep (5) and increasing poor health behaviour (6, 7).

The results from the PSYRES project (8) confirmed these findings. We found that restructuring impacts job satisfaction, worker dedication, levels of cynicism, emotional exhaustion and feelings of stress, work ability and job insecurity, and on sickness absence. In addition to these direct effects, we found several work-related factors through which restructuring affects well-being. For example, restructuring increases the job demands, emotional demands and time pressures for employees and that, in turn, decreases the employees' sense of well-being. We also found that the change process is a challenge for social relations within the organisation. Our results indicate that supervisory support decreases during the change process and that conflicts in supervisor-subordinate relationships and between colleagues become more common. This decreased social support in turn has a negative effect on well-being.

What do these findings then mean from a viewpoint of managing the change in a sound way? As mentioned above, a typical consequence of an organisational change is an increase in job insecurity among employees, especially in situations with downsizing. Our findings show that other kind of changes, like a change in ownership, also creates job insecurity, and that the feeling of job insecurity still exists after years of the actual change. In fact it seems that every organisational change will arouse job insecurity and it is almost unavoidable. Is there anything which can be done about it?

The answer is yes. We found that there are some organisational or personal resources which protect the employees from feelings of job insecurity. It seems to be helpful for employees if they:

- receive support from co-workers
- have high task autonomy: meaning the degree or level of freedom and discretion an employee has over his/her tasks, in choosing the person(s) with whom they wish to work and in managing the pace of the work
- experience good a effort-reward balance: meaning the experience that there is a balance between the effort one puts into his/her job and the reward one gets from the job

- score high on self-efficacy: meaning, for example, the individual's confidence in being able to address problems

We also learned that it is important to think at the impact of the changes on the employee's own position and her/his day-to-day work tasks and take in account how they experience these changes. The consequences of restructuring are not the same for all, even for those working for the same organisation. The changes may include re-organizing organisational structures, breaking up teams and establishing new ones, and changing work tasks. These processes mean promotions for some while they, at the same time, weaken the position of others.

We found that good well-being and strong personal and organisational resources before the organisational change were connected with the experience of position improvement during the changes. The experienced improvement further promotes well-being, whereas a decline in the position leads a deterioration of well-being. We also found that personal factors may have an influence on how the employees experience the changes and cope with them. Negative well-being consequences that emerge as a result of organisational restructuring are less severe for employees with a high sense of coherence<sup>1</sup> and competence<sup>2</sup> and for those who are more employable<sup>3</sup>.

The overall picture of how restructuring effects employees' well-being is complex. Different factors play a role, and the relationships between them are not always straightforward. We can, however, conclude that the well-being of employees in changing work organisations is based on:



**Figure 1:** The positive path to sound organisational change

<sup>1</sup> SOC characterizes a general orientation to life. A person with a strong SOC feels that life makes sense emotionally, perceives stimuli in a clear and structured way, and is confident that adequate coping resources are available. (9)

<sup>2</sup> Sense of competence is regarded as a determinant of how an individual can cope with stressful experiences. Work-related sense of competence can be defined as the individual's feelings of confidence that he/she has the needed work-related skills and abilities (10).

<sup>3</sup> Meaning those who are better able to find another job

The question asked is: Is it worth investing time and effort on the way changes are handled in your own organisation, since changes are part of the modern work life, an ongoing process? Some may argue that employees will get used to restructuring and that it will no longer have an effect on their well-being. We, however, found no proof for this argument. In fact, we found that compared with employees who had not undergone restructuring employees who had undergone several changes, one right after the other (prolonged restructuring):

- experienced slightly more emotional exhaustion
- had lower levels of job satisfaction
- were less dedicated to their work, and
- had higher levels of sickness absenteeism

Our findings thus show that experiencing an organisational restructuring process does not make employees more resistant to the negative consequences of the changes and it is important to managing every organisational change in a sound way.

What are the factors which you should pay attention to? Our survey based and interview analyses both show the same result: the three important factors that should always be taken into account in a sound organisational change process are:

1. Communication (two-way)
2. Participation
3. Support

Next we will go through the change process and the roles of different actors on it and then we will go through the key factors towards sound change.

## 2. Towards sound change



## 2.1 The phases of the organisational changes

Restructuring is always a process which includes different phases and different tasks for those involved. Organisational restructuring means changing from a current way of working to a new way of working. Employees and work groups differ in their openness to these changes and in their reactions to them.

For most employees, organisational restructuring becomes real when it is announced or is widely known. The announcement itself can cause many emotional reactions among employees. The change process enters a next period or phase when the organisation makes concrete decisions about what will happen. During this period of change, there are many rumours about what will happen and it is a period of great uncertainty: people are wondering “*what does this change mean for me and my colleagues*”. Weeks later, the organisation provides information about its decisions. This again can be a very emotional time and reactions may vary from relief to anger. When the decisions are carried out, people have to learn to work within a changed organisational environment.



Figure 2: The phases of the change process

## 2.2 The key actors in the change process

The change process itself generates a great deal of extra work, mostly for managers (both top and middle managers), and in larger organisations for the human resources department (or an equivalent) as well. It takes time for an organisation to adjust to changes in the organisation, in work processes and in the working methods. Mistakes will be made and inefficiencies will still need to be resolved.

It is important to remember that it is not only the responsibility of the top management to make changes. Everyone is involved at least in two levels: at the level of making rational decision making and also at the level of experiencing a range of emotional reactions to restructuring.

**Management**

Top management has to, in addition to making the decisions “to be the face of the change”, be present and discuss about the change and the reasons behind it with the employees and their representatives. Management as an employer is always responsible for carrying out the organisational change process and take into account its effects on employees’ health and well-being<sup>4</sup>

**Middle management**

The middle management’s (supervisors) role is to keep the “wheels turning” in spite of all the insecurity related to the ongoing change. At the same time, they must discuss the change with the employees, interpret the messages from the management to the employees and make decisions.

**HR department**

The HR department (or equivalent) is often the “force” that implements the change process. It should involve all parties in planning and carrying out the changes. They should offer training for change management to all parties. Already before the changes they should evaluate readiness for change, making sure that employees are competent and have multiple skills so that their employability stays at an adequate level.

**Employees**

Employees need to take care of their competencies and, if necessary, upgrade their skills. It is also the responsibility of employees to evaluate and anticipate their own role and job within the company’s “plan for the future”.

**Employee representatives**

Employee representatives should support employees by being available to discussions, by making sure that decision are made fairly during the change process.

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<sup>4</sup> It is employers’ legal obligations to assess and manage all types of risk to workers’ health in all EU member states. Organisational restructuring is this kind of situation where the risk should be assessed and managed. Also the Framework directive 2002/14/EC lay down procedures through which companies would have to inform their employees about their employer’s economic situation and to inform and consult them on issues concerned with employment and work organisation (it covers companies with at least 50 employees or establishments with at least 20)

In addition to actors inside the organisation, support from outside the organisation may be used as well, especially in situations which include lay-offs and in which employees need to find future options outside the organisation. For example,

- Occupational health care (crises support for individuals, training for supervisors)
- Employment offices, consultants (training for seeking and applying for new jobs)
- Private pension institutes (information about services, professional rehabilitation programs, pension opportunities)

### 2.3 Key factors in ensuring employee well-being during the change process

Similar actions should be taken to ensure employee well-being as with any other management and work organisation processes carried out within the organisation: risks should be assessed, action plans and efforts to reduce the risks should be formulated, the process should be evaluated and the lessons learned should alter the future action points. As mentioned earlier, we found three key factors which affect the relationship between restructuring and the well-being of employees.



Figure 3: Key factors for a sound change process

#### COMMUNICATION

Communication at all levels is important. Communication needs to target individuals, groups, middle managers, employee representatives and the entire organisation. An important aspect of communication is not only to provide information, but also to provide the opportunity for engaging in dialogue – getting clarification and making suggestions, in other words, influencing the process. Communication should work both ways. Management should inform employees of what they do know – and be open about what they don't know. At the same time, employees should be able to offer feedback on progress and make suggestions for how to implement and structure change. Different kinds of information are needed during different phases of change. Not everything can be said at once or one time only.

## **PARTICIPATION**

Participation is equally important. At all levels, employees and managers should be involved. Participation involves both the possibility to influence how the change is being implemented and also what the future organisation should be like. This is important in order to ensure ownership and that local level expert knowledge is being used to ensure a healthy organisation.

## **SUPPORT**

Support actions should be put in place. This is also important at all levels. Individuals may need training in how to perform their job in a changed organisation and they will need support in going through a difficult transition. If responsibilities for work groups change, employees will need to be equipped to deal with the new terms and they may need help in getting accustomed to working together in new ways or with different people. Managers are often in a difficult position: they are both targets of change as well as the drivers of change. As such, they are in a vulnerable position. They should have both the skills and the resources to manage change and to continue working as managers in the new organisation. Employee representatives also need similar training as the middle managers, since the employees seek support during the changes from them too.

Next, we are going to present the initiatives for ensuring employee well-being, as they were defined in National Psyres workshops<sup>5</sup>. The interventions are grouped according to the previously mentioned key factors of sound change process – communication, participation and support – and defined on four levels: individual, work group, management, and organisation.

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<sup>5</sup> The participants in the workshops represented both employers and employees, employee representatives, HR advisors, occupational health care personnel, change consultants, and so forth. Most of the participants had undergone restructuring and had also participated in implementing the restructuring processes.





### 3. Initiatives for ensuring well-being during restructuring



## 3.1 Initiatives for ensuring communication

### INDIVIDUAL LEVEL

Communication should be focused on discussing questions pertaining to what the change means for the individual. Employees might ask themselves the following types of questions:

- *What does this mean for me?*
- *What does this require of me?*
- *Do I need to work with other people than I used to work with?*
- *Do I need other qualifications than I have?*
- *What opportunities do I have to influence the process?*

Face-to-face contact is very important for ensuring a sense of security and making people feel valued. Individual meetings where individual employees have a chance to ask the questions they may not be comfortable asking in plenary sessions are important. The purpose of the communication is to make sure that employees have realistic expectations for the restructuring process and its outcomes and to increase each employee's understanding of what his/her role will be in the future.

### GROUP LEVEL

Communication is also important at the group level. "*Venting*" meetings, in which employee groups have the opportunity to express their feelings, their concerns and their reservations about the change, may be useful. However, it is important that these meetings do not turn into sessions of excessive negativity or playing the blame game. Rather, they should examine how the group can get the best out of the situation. Another way of ensuring appropriate communication is to have the group develop *a set of wishes* for the communication they need. This involves allowing the group to identify what kind of information is needed, from whom, when and by what means.

Restructuring can be taxing and rumours are likely to flourish, resulting in a negative and tiring atmosphere. One solution could be to agree guidelines, *developing ground rules*, for when to discuss the restructuring, for example only discussing changes during the morning coffee break. For the remainder of the day, employees should then focus on the work itself or other topics. This would ensure that the topic of restructuring does not occupy every minute of the working day.

### MANAGEMENT LEVEL

Middle managers are often the first point of contact for employees and they need to be fully informed about the change. Communication from top management to middle managers is, therefore, crucial. This may be achieved through including them in *steering groups* and having restructuring as a fixed item on the agenda at manager meetings. "*Talk papers*" may also serve as an important aid for middle managers. These outline the most important information to be communicated, including "Frequently asked questions".

## ORGANISATION LEVEL

A number of initiatives involve changing the procedures and work practices of the organisation. At all the previous levels, communication forms an important part of the initiatives. At this upper level, an overall communication plan should be developed. A good communication plan takes time to develop and it should be clear who is responsible for implementing the *communication plan*. It is important to consider the transition process which the employees will undergo when planning the restructuring. The period of transition begins immediately after the first announcements and ends long after the restructuring has been implemented. The development of a communication plan includes two important elements: *procedure and content*.

Procedure: It is important to decide who will provide which information and when they will do it: *How is dialogue, rather than top-down information, ensured? By which means should communication take place?*

There are some key aspects which should be taken into account:

- availability of written material
- possibility to use an anonymous communication medium, for example a “Question and Answer” option on the company intranet
- repetition of the same information as often as required
- constantly monitoring the communication process

Content: First of all, management should ask itself: *“Why are we restructuring? And why are we restructuring in this way? What do we want to achieve as a result of this change?”* and, finally, *“How does it fit our long-term strategy and vision for the company?”* Management should be able to answer these questions in just a few sentences. It should be able to explain the reason for the change in “an elevator pitch”. If managers are unable to do this, they are not prepared for the change.

During the entire restructuring period, employees need a clear answer to two important questions (which are interrelated):

1. *Why are we restructuring* (why the sense of urgency, if there is a real urgency)?
2. *Where are we going* (how can I get a sense of perspective on the company’s future)?

If possible, the restructuring process should be presented as attractive and tempting, but with a truthful view of the future. It is important to emphasize how restructuring can offer employees new opportunities for growth and for improving their work.

The following advice was provided by participants at the workshop:

1. Be transparent (truthful), open and honest. Do not have a hidden agenda! Do not present decisions that employees have to accept as if they were options people can choose. Do not try to make the future brighter than it actually is;
2. Be consistent at all levels (organisation, department, work group, individual);
3. Repeat the information over and over and over again.

## **3.2 Initiatives for ensuring participation**

### **INDIVIDUAL LEVEL**

Participation at the individual level means that employees should have the opportunity to influence their future role in the organisation. They should be involved in deciding which tasks to take responsibility for and in which direction their career should go – in other words, they should be able to decide which skills and abilities they would like to develop in the future and to gain clarity on the needs of the organisation.

### **GROUP LEVEL**

Just as individuals should have a say in their future role within the organisation, it is also important that groups should be able to participate in and influence which activities and responsibilities they can take part in. It is also important to investigate the match between the entire group of employees and the responsibilities of the group to ensure that members as a whole have the necessary competencies to do the job.

### **MANAGEMENT LEVEL**

Middle managers are not only the passive recipients of change. They serve as the point of contact between top management and shop-floor employees. As such, they possess a unique knowledge about how the change can be implemented. Therefore, they should participate in the change process. They should have the authority to make decisions at their level, making sure the change is implemented in the most appropriate way for taking into account the people and the culture at this level. Also, middle managers should have the opportunity to influence decisions at the upper levels. They have an in-depth knowledge of the operations of the organisations, which should be made known to top management.

However, as mentioned earlier, middle managers have several roles during the organisational change process and they cannot fulfil all these roles. The workload may become too big or middle managers may not be equipped to handle all the responsibilities; for example, not all middle managers may be able to manage a transition process. Therefore, middle managers should make it clear at the very beginning of the change process what role they will play and what role they will (partially) hand over to others. One possibility could be that the management of daily work could be handed over to an experienced employee. Another possibility could be to appoint a transition manager.

In all these cases, however, it is important that employees do not get the impression that the middle manager is evading his/her responsibilities. The middle manager should still have a “face” in the department. She/he should walk around at the workplace and give personal attention to the employees. “Locking themselves up in their office” is probably the worst thing middle managers can do during times of restructuring.

## **ORGANISATIONAL LEVEL**

At the organisational level, risk assessment represents one form of participation, one which requires that employees or their representatives are heard. There are at least two means of assessing risks. First, tools may be used to assess the health risks and well-being of employees before initiating the restructuring process. Planning group and work councils can discuss identified risk factors and develop strategies to avoid these risks. It presents a way of making sure a certain level of preparedness is present prior to restructuring, e.g. the existence of support. A second risk assessment tool<sup>6</sup> involves monitoring health and well-being during the restructuring process (also a tool for clarifying needs for social support). This involves integrating the change within the legally required risk assessment measures.

### **3.3 Initiatives for ensuring support**

#### **INDIVIDUAL LEVEL**

There are different ways to support individual employees during (and before) restructuring. *Coaching* is a tool at the individual level which can be used to help to relieve employees from a feeling of being victims and help them to be proactive in defining their future role within the new framework of the organisation. The overall purpose is to empower employees and make them reflect upon where they stand and where they want to go.

*Analyses and development of competencies* is another strategy. Often, restructuring requires employees to take on a broader range of tasks and to develop new competencies. A mapping of competencies reveals any gaps between the existing competencies of the individual employee and the new requirements of the job and aids in the identification of individual training needs. Subsequently, it then becomes a strategy to identify which courses already exist that may help employees in developing the necessary resources, and perhaps tailor them slightly, or in developing additional training courses for teaching employees the necessary skills to do their job in the future.

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<sup>6</sup> Risk assessment tools can be found from the European Agency for Safety and Health at Work internet pages: [http://osha.europa.eu/en/practical-solutions/risk-assessment-tools/index\\_html](http://osha.europa.eu/en/practical-solutions/risk-assessment-tools/index_html)

## GROUP LEVEL

There are several ways in which work groups can be supported. For example, transition rituals are important strategies for maintaining psychological well-being. This includes marking the change from one stage to another and making sure that the successes are celebrated. Also *social activities*, for example parties to get new groups to feel that they are part of the whole, are one way of ensuring a smooth transition to a new group composition.

Just as important as getting a new group to function together, it is also important to ensure collaboration between groups. As groups change responsibilities, other groups within the organisation should be made aware of increased or decreased decision-making authority. This could be done through *meetings for mutual consultation* and by pinpointing areas of cooperation.

It is important that the work group have the necessary competencies to carry out their task after the changes, and this requires *mapping group members' competencies*. Several tools exist that may help the group to identify employees' individual competencies. For example, identifying individuals' preferences may help structure how the restructuring is implemented at the local level. Employees who have a preference for planning may be involved in the local-level implementation, whereas people-oriented employees may be the ones communicating the changes.

Another tool which can be used is the Common Assessment Framework (CAF<sup>7</sup>). It is a framework for assessing competencies. It offers a way of ensuring systematic and goal-focused dialogue in the workplace. Some important questions to examine include the following: *Is there an agreement between objectives and visions? How cost-effective are the existing working procedures?* Through discussions, employees and managers can present an overview of areas for improvement and further actions.

*Training* may also be provided to group members, for example training on the competencies necessary for fulfilling the requirements of the job. Training may also be provided when teams are being assembled so that they learn how to work together in new ways.

A useful tool to be conducted quarterly is *risk assessments* at the group level. The purpose would be to monitor psychological well-being at the group level and to ensure that the negative impact of restructuring is kept to a minimum. This would involve a short risk assessments tool of 8-10 questions, and the responses would then be discussed at group meetings. This method is particularly useful in smaller groups.

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<sup>7</sup> <http://caf.eipa.eu/3/98/>

Also, *well-being coordinators* can be used to keep an eye on the well-being of colleagues, and if necessary, to approach the union representative or the supervisor in order to bring to their attention the fact that additional support may be needed. The well-being coordinator can also arrange social activities that help develop group cohesion. Participants in the workshops suggested that a member of the group who is elected well-being coordinator could assume this role.

Where restructuring requires a fundamental change in existing mind-sets concerning the job, a *mobile learning unit* may be established. This unit would consist of “experts” in the new way of thinking and working who would visit groups in order to train them and discuss the implications of the changes.

## **MANAGEMENT LEVEL**

To be able to fulfil their demanding role, middle managers need support. Much is asked of middle managers during a restructuring process. They are the ones who should be supportive, and yet, at the same time, they may be the bringers of bad news. In addition, they too are targets of changes. They are involved in developing the restructuring process and, at the same time, they have to manage their own department and reassure any insecure or stressed out employees. They are the ones who know too much or too little and, at the same time, have to answer the questions of their employees as openly and honestly as they possibly can. Middle managers, therefore, are the employees who need a great deal of support themselves.

There are a number of initiatives that may be implemented to support the middle manager during the process. This may include *coaching* but also other activities, such as offering assistance in difficult situations. For example, it may involve HR personnel being present at meetings. Another way to support the middle manager is to organize *group counselling sessions*. Yet another possibility is to organize mentoring. Middle managers more experienced in making changes could mentor those with less experience. Another possibility still is to conduct an assessment of a middle manager’s management skills during the change and to provide guidance on managing the change.

Training middle managers in communicating about sensitive issues is also one way to support middle managers in their ability to communicate with the other employees about changes. Communicative skills for managers include emphatic listening, summarizing events and asking the right questions. They also need to have the ability to plan and implement changes. Training is an option to ensure that managers have the skills to both engage in sensitive discussions and situations with staff during restructuring and also the skills to make changes.



## **ORGANISATIONAL LEVEL**

Human resource management (HRM) practices applied in the organisation affect the support everyone receives during the restructuring process. The HRM policies should focus on employability and managing the change processes. By increasing the employability of the employees, the employees can then easily find new jobs within the organisation or outside the organisation. The restructuring event will, therefore, have less of an impact on the employees.

However, increasing employability is not only an issue in an upcoming restructuring process. Employees should always be motivated or even forced to think about their talents and weaknesses, and how they want to develop their skills in the future. HRM practices should facilitate the setting of personal goals to increase their employability. It is important to articulate a clear vision of the company's direction, so employees can set goals that fit with the goals of the company.

In relation to recruitment and selection, middle managers should be selected based on their ability to manage the change processes, with an ability to detect what is happening at personal and interpersonal levels. Flexibility should also be a selection criterion for other employees.



The evidence from longitudinal studies indicates that organisational changes are likely to have adverse effects on employees' well-being – and not only adverse effects on the health and well-being of the ones that are laid off, but also on the ones that stay behind. However, there are both work-related factors and personal resources that can help employees handle the pressures and the stress that arise during organisational changes. The organisation may prepare for the coming change by promoting organisational factors and personal resources, such as support from the organisation, middle managers and co-workers and the competence of the employees. If employees have a strong sense of well-being before the change process begins, there is a greater chance they will be able to handle the change process and maintain a strong sense of well-being in the future.

The key factors for implementing a sound change process are communication, participation and support. If employees can count on good communication and support from top management, from their middle managers (closest supervisors) and from their co-workers and trust their managers, the effects of restructuring on well-being are less negative than in situations where these resources are lacking. And, if employees are involved in the process of restructuring, if they are able to participate in the decision making, their well-being will be better than if they are not involved.

***Communication enables understanding changes!***

- There will never be too much information: information should be open and clear, and it should be provided in different forms. Different channels for communicating and asking questions should be used. Attention should be paid to the quality of the answers that are given and to the timing of the information.

***Participation leads to commitment to change!***

- Participation involves the possibility to influence both how the change is implemented, and what the future organisation should look like.

***Support helps to cope with changes!***

- Different kinds of support should be available to employees, their representatives and supervisors. The best way to learn what kind of support is needed is to ask the target group and learn from the experience of others.

It is important to remember that it is not only the role of the top management to carry out the changes. To make sure that the change is carried out in a healthy way, everyone has a role! After the change process has been completed, the process should be evaluated and the lessons learned should be taken into account.

Successful initiatives for ensuring employees' well-being during restructuring should:

- decrease job insecurity and ensure that job demands remains at the reasonable level
- improve the atmosphere within the organisation during restructuring
- create an understanding of why change is needed and what can be achieved through change
- improve personal resources and make employees less vulnerable to the negative effects of restructuring: for example, by promote employability and competence

Interventions can be targeted at four levels: individual, group, management, and the organisation. On all levels, the interventions should contain elements which enhance communication, participation and support before, during and after the change process. As the initiatives presented in this guide show, a lot can be done to ensure sound organisational change process. Small steps can have a huge impact on well-being of employees and at the same time help to achieve the primary goals of change - healthy and productive organisation.

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## STEPS TOWARDS SOUND CHANGE

— initiatives for ensuring employee well-being during restructuring

All of us working in today's globalized world will sooner or later experience restructuring in some form or other. Organisations restructure to ensure better performance and adaptability to the demands of the globalized economy. The way the organisational changes are carried out in the organisation is important to ensure employee well-being. The key challenge is often how to make sure that after the changes are made, employees will be motivated to work and will feel well and that the primary, production-related goals of restructuring will be reached.

The aim of this guide is to provide ideas for managers, human resource management and the other stakeholders involved in the organisational change processes, including what actions they can take to make sure that the change process is handled in a sound way. In this guide we present a number of initiatives that show that a lot can be done to ensure sound organisational change process. Small steps may have a huge impact on well-being of employees and at the same time help to achieve the primary goals of change — a healthy and productive organisation.

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