

Consumer Futures

In-depth case Study on effective people management strategies in employee transfers: The experience of Consumer Futures

Employee transfers can be a stressful and uncertain time for all involved. This case study explores how good employment relations can aid the smooth running of the transition process within an organisation during the pre-transfer period. It is not a step by step guide on managing employee transfers, but rather aims to be a resource to help employers and managers prepare for similar transfers through effective people management strategies.

The case study looks at the experience of Consumer Futures, a non-departmental government body (NDPB) which was involved in a complex employee transfer process during 2013-2014. It draws on the individual perspectives of those involved in a range of roles in the process.

Acas research and policy analysts carried out twelve qualitative interviews with a cross section of individuals at Consumer Futures and across all their sites: Belfast, Cardiff, Glasgow and London. Those interviewed included employees who were transferring, those who were being made redundant, their line managers, members of the senior management team (SMT), HR personnel, a trade union representative and a transition manager.

Background

Consumer Futures was the operating name for the new National Consumer Council, a statutory organisation created in 2008 through the merger of Energywatch, Postwatch and the National Consumer Council (including the Scottish and Welsh Consumer Councils).¹ It was an NDPB sponsored by the Department for Business, Innovation and Skills with the aim of helping markets work better for consumers by offering improved consumer protection and greater clarity about where consumers need to turn to for help and advice.

1 From 2008 until May 2013 it operated as Consumer Focus.



As part of the Government's reform of the consumer landscape, certain functions of Consumer Futures transferred to Citizens Advice, the Consumer Council for Northern Ireland (CCNI) and Citizens Advice Scotland on 31 March 2014.

The transfer was brought about by legislation in the form of a Transfer Order under the Public Bodies Act 2011. A Cabinet Office review of public bodies in 2010 had identified Consumer Futures (then Consumer Focus) as among a number of public bodies to be reformed. Its staff had been expecting change – potential transfers and redundancies – for some time ahead of the publication in July 2013 of a list of the posts expected to transfer to each organisation and those which were expected to be made redundant at the point of transfer.

As a transfer of staff from a public sector employer to charity organisations in the third sector, the transfer was regulated by the Cabinet Office Statement of Practice for staff transfers in the public sector (COSOP).² This sets out the policy that, while the provisions of the Transfer of Undertaking (Protection of Employment) Regulations 2006 (TUPE) are not strictly applicable to this type of transfer, the treatment of staff involved should nevertheless be founded upon the principles of TUPE.³ The approach taken by Consumer Futures to managing the people aspects of this transfer is therefore relevant to many other transfer situations, including those under both COSOP and TUPE.

Unite was the sole recognised trade union in Consumer Futures, representing around one third of staff in the organisation.

Initial preparations

Previous consultations in Consumer Futures about redundancy and associated processes had always been led and co-ordinated by HR. At an early stage of this transfer, several months before the start of the formal consultation that began with staff in late October 2013, HR decided to try a different approach in which the consultation and communication with staff would be led by the senior management team (SMT), with support provided by HR.

² <http://www.civilservice.gov.uk/about/resources/employment-practice/codes-of-practice>

³ Further guidance is provided in [Good practice for managing the people consequences of outsourcing and privatisation](#) (2008: Cabinet Office & Council of Civil Service Unions)



The aim of this approach was that ownership and leadership by the senior team would increase employee engagement and provide additional reassurance during times of change. The fact that SMT could provide more face-to-face communication was seen as advantageous, especially as the process would last several months and inevitably there would be a lot of information to communicate as the situation evolved. As HR Director, Annette Clinnick explains:

“When big organisational messages are sent out, they really need to be communicated from the top, with the senior team taking responsibility for delivering the messages to people in their teams, and actually taking ownership for that dialogue with their own teams about how it’s going to affect them.”

Annette Clinnick, HR Director, London.

Making this approach a reality was not easy. The first step in the people management process therefore involved HR getting the SMT on board. A paper was presented to the SMT outlining the rationale for the approach and seeking their ideas and concerns. Consumer Futures also held a leadership away day in July 2013, which focused on leadership styles, responsibilities, expectations and obligations during the pre-transfer period. The emphasis was on trying to anticipate what employees would be concerned about and what approach might best alleviate those concerns. The union were advised that the leadership away day was taking place and one of the union representatives was a participant.

From an HR perspective, this leadership away day was seen as an opportunity for the senior managers to get together and bond as a team, especially as there were some new members on board. It also aimed to clarify what the expectations were on them as senior leaders in the organisation.

The directors that were interviewed believed that the away day had also been successful in ensuring their ownership of the transfer, and signing up to things as a team. One senior director cited that the discussions and materials from the day were useful to her throughout the pre-transfer period, as she referred to them when speaking to her staff.

One of the trade union representatives who was also a member of the senior staff within Consumer Futures attended this away day, and reflected that this was useful in agreeing the direction of travel the consultation would take. The formal consultation with the trade union took place in early October 2013 before the formal consultation with staff in late October 2013. It was clear from the interviews that there was strong engagement with HR and the trade union prior to the formal staff consultation.



“We encouraged management to communicate openly and honestly and frequently, and we engaged in discussion about the content and the tone of communications, both from HR and from the SMT and from the chief executive.”

Justin Gutmann, Unite Trade Union Representative, London.

The communication strategy during the staff consultation phase

Consumer Futures had formal procedures to follow in terms of managing the transfer, but they also recognised that it was important to provide clarity to their staff on how the transfer would be managed and to communicate openly about how it would affect employees at an individual level.

Every employee in Consumer Futures received a letter confirming their individual circumstances and an information pack, tailored to match the circumstances of their post (eg post transferring, post not transferring, fixed-term post coming to a natural end on the pre-determined date).

All of the packs contained essential details about the consultation, how posts had been selected for transfer or redundancy and the expected timeline for the transition process. They also contained Frequently Asked Questions (FAQs) and contact details for further queries. In addition:

- Employees in posts identified for transfer were provided with a comparison of the terms and conditions of employment of Consumer Futures and the organisation to which their post would transfer; and
- Employees in posts not identified for transfer were provided with details of the voluntary redundancy scheme and the support available to them.

i) Group meetings

Tailored group meetings for employees transferring and those being made redundant were then arranged. The purpose of these meetings was to provide face-to-face opportunities for staff to ask questions of their SMT lead about the information that they had received, as well as to allow for open discussion around any concerns and for the SMT lead to take on board requests for any further information where they were unable to provide immediate answers. The group meetings were led by individual SMT directors, with support materials provided to them by HR.

These meetings were found to work well, being viewed favourably both by employees and by the SMT members who led them:



"I think the fact that it was led by our director in a coordinated approach with other parts of the organisation, meant that everybody was getting the same information at the same time, but led locally and delivered in a style that was appropriate for each office. I think also breaking down our staff into groups has been really useful given that everybody's situation is different."

Susan Kelly, speaking as an employee opting for redundancy, Glasgow

One senior director talked of how she had found that her role in leading these meetings brought several benefits to her own local office. It helped develop an 'in it together' spirit in the workplace and a sense of trust that the organisation was doing everything it could to make things as smooth as possible for the staff:

"The group meetings worked very well. The fact they were led by local SMT meant that the organisation didn't just 'disappear from view' after those meetings. It meant that an important channel for staff's information on the process remained visible. This was really important both for my staff and for me as their manager. I could see the 'after effects' in the office following the meetings, which allowed me to see more clearly what the concerns were and what was required to build morale. That wouldn't have been possible if the meetings had been led by someone visiting from HR in head office."

Trisha McAuley, Senior Director, Glasgow

ii) One-to-one meetings

The group meetings were followed up by an optional offer of one-to-one meetings for all staff transferring. Staff at risk of redundancy were formally invited to one-to-one meetings as part of formal consultation process. The one-to-one meetings were undertaken with local SMT leads or line managers, with the aim of individuals having the opportunity to ask questions and seek clarification on things covered in the group meetings, particularly where they related to their own circumstances. Again, detailed guidance and templates were provided by HR on how to conduct and record the meetings, but with an emphasis on providing the staff with an opportunity to discuss their individual concerns with a 'familiar face'. Some employees did not opt to attend a one-to-one meeting as they already felt they had enough information on how the transfer affected them. However, in other cases the one-to-one meetings were seen as a good way of recognising individual needs and maintaining dialogue between managers and employees, as described by one employee transferring:

"Yes. I mean, I think, to be honest, it was important for [the director] to touch base with us, as much as it was for us... [they] always had this open door policy, and that made a big difference on a one-to-one basis."

Anonymous, Employee transferring



Communicating throughout the pre-transfer period

There were still challenges remaining after the formal consultation with staff, as information was evolving and employees had further questions after reflecting on how the transfer would affect them personally. There was also a further challenge in keeping employees focused on their day jobs.

One line manager recounted how it was challenging to keep her staff motivated in their work while also discussing aspects of the transfer. So she helped to prepare her team for the transfer by discussing the practicalities for her team. This helped her staff to think about how to minimise any disruption to work tasks and stay focused on their work.

It was clear from all the interviews that a mix of formal, informal and ad hoc meetings were used during and after the formal consultation with staff. The strategy of using a range of communication channels and styles in this way was based on the need to reach a broad range of people with varying needs, concerns and individual circumstances, as well as to address different preferences for communication.

There were two dedicated Transition Project Managers at Consumer Futures, one based in London and one in Glasgow who worked on the planning processes of the transition, including project management activities, data and IT issues. Phil Simpson, the Transition Project Manager based in London, explained the importance of using varied communication methods:

“We had to be prepared for communication not to be received by everyone and understood by everyone in the same way. It’s not a one-size fits all approach. You’ve got to communicate in any way that you can and keep repeating the messages, whether it’s in conversation, whether it’s in writing and whether it’s by project discussions with other parties...”

Phil Simpson, Transition Project Manager, London

i) Formal meetings

Formal meetings included negotiating committee meetings involving the Chief Executive, or on occasions, the Transition Director, the HR Director and trade union representatives, meeting roughly every 6 weeks to discuss the proposals going forward and proposed changes and provided feedback. This was supported by informal meetings where appropriate. There were also formal consultation meetings with trade union representatives organised during this period to discuss proposals for change processes including transfer and redundancy, how to answer some of the FAQs, details of the redundancy scheme, updates to line managers, and other guidance documents.



Directors and line managers also offered a series of meetings with staff which often focused on the critical stages of the people management aspects of the transition. Line managers also made efforts to speak to their local staff regularly and used telephone and video-conferencing facilities if they were not able to meet staff in person.

Members of the HR team made visits to all locations to meet with staff and answer any questions that SMT members had not been able to answer, as well as providing support by phone, email and in person on a day to day basis.

ii) Informal and ad hoc meetings

In many cases, after the formal staff consultation phase, updates and revised FAQs were supported by an 'open door policy' which encouraged employees to speak to their manager when they had specific questions instead of waiting for senior staff to organise meetings. One director talked about how she used ad hoc opportunities to chat about concerns with her staff, for example talking to staff in the kitchen area whilst they were making a cup of tea. She felt this was helpful in supporting and listening to staff. Having informal meetings and catch ups was also useful from an employee perspective:

"I think for us it was important to keep in touch with [the director] as they always had this open door policy, and that made a big difference, so whether it was on a one-to-one basis, a formal meeting set up to discuss something specific like voluntary redundancy, or whether it was an informal open door policy and you'd go and say, 'Have you got five minutes to answer a question I have?'"

Anonymous, Employee transferring

Similarly, the trade union representatives would try to answer informal queries that came to them from union members, and would also feed these back to HR for clarification as appropriate.

Overall, it appears that most respondents felt that the communication strategy was very effective in providing information and alleviating concerns as much as possible ahead of the transfer. The FAQs were designed to provide immediate answers to the majority of the questions that employees might have at the point consultation started. These were updated regularly throughout the process, based on questions asked through SMT, line managers and trade union representatives as well as directly by individual employees. Everyone was informed when the FAQs were updated with new information.

Many cited the various face-to-face interactions as a particularly helpful and appropriate means of communicating issues – with some adding they would have liked even more of this.



The key benefit of meeting up in person was cited as this being a more comfortable way of asking questions. As explained by two employees:

“You get emails through....then the question in your mind at that time gets pushed back as you’re so busy. So you end up not asking the question, whereas if you have a face-to-face meeting, you’ve got more of an opportunity.”

Anonymous, Employee transferring

“When individual members of staff find themselves in a situation that they’re dealing with, or that they might consider to be an issue...that’s when you really need that signposting from senior staff and appropriate information to actually guide you through the process. I mean the other thing I think that’s probably been useful, is just being able to meet together and to discuss things, because it’s quite cathartic.”

Anonymous, Employee transferring

Addressing staff concerns

While the pre-transfer period was an uncertain time for all staff in the organisation, it was recognised that there would be different concerns amongst those employees whose roles had been identified for transfer, those who were being made redundant and those who had been given the option of voluntary redundancy. The people management strategy therefore included plans to address the concerns of these different groups.

i) For those considering transferring

The contractual terms and conditions of transferring staff are protected under the COSOP / TUPE regulations. However, the primary concern for staff identified for transfer was to have some reassurance in this regard. They were also concerned to know more about working conditions and policies in the transferee organisations and how these would compare with those at Consumer Futures.

Consumer Futures’ approach to addressing these concerns involved starting the formal consultation early which enabled them to provide clear and detailed information to employees at an early stage. This approach paid off as there was some relief once the employees saw the comparison, which was provided in the form of a spreadsheet giving a detailed breakdown. There were fewer differences than had been expected and, where they existed, the differences were less significant than some employees had feared.

Justin Gutmann, trade union representative, spoke of how HR and the trade union had worked closely in providing clarity in this important area:



"A flavour of the very good relations we had with our management is that we wanted a strict comparison, item by item... and we got a spreadsheet, populated by our HR department, which showed precisely and in enormous detail what we currently had at Consumer Futures and what we could expect in the transferee organisations."

Justin Gutmann, Unite Trade Union Representative, London

Once this information had been provided, people in the transferring posts could then start to think beyond those to the practical issues of what working life would be like after the transfer. Employees had many questions about the detail of day to day working life in the transferee organisations, how different policies might apply to them and how the 'cultural' integration would work with their new colleagues and teams.

Some senior staff noted how surprised they were by the level of detail employees had sought. Queries often stemmed from concerns about how the transfer would affect very particular individual circumstances, covering issues such as the technology and software they would be using, job titles, career progression, as well as policies around flexi-time, home working and absence management:

"A good example straight off would be the IT working situation, because something that's very close to staff is how they're going to be able to use the systems, is everything going to carry over?"

Phil Simpson, Transition Project Manager, London

Regularly updated FAQs on the intranet were found to be an effective way to provide most of the answers to these questions. Staff were also encouraged to approach their local SMT member and union representatives with any questions and concerns not covered in the FAQs. Where an immediate answer could not be given, the questions were passed to HR. Answers were provided to the person requesting the information as soon as they were available and also fed into the next update of the FAQs:

"The frequently asked questions were on the intranet and regularly updated. We encouraged people to talk to their directors....the union reps as well, they always saw the updates of FAQs before they were published and had an opportunity to ask for clarification."

Annette Clinnick, HR Director, London



ii) For those being made redundant

To support employees who would be leaving the organisation through redundancy, a business case was agreed by the SMT for a package of outplacement services. The package provided a flexible range of services recognising that people would have different outcomes following redundancy, such as preparation for their next career move, self-employment or retirement.

The support package was made available in all locations to employees who would be leaving through redundancy and included:

- Individual career advice with a career consultant (2 x 3 hour meetings)
- CV writing guidance
- Independent financial advice
- 6 months' access to online career management tools
- Webinar on using social media in job-search and self-marketing.

Extra support was also provided for those employees considering an offer of voluntary redundancy. Here it was a case of providing a resource to help them consider their options in the light of their own personal circumstances, for which the on-going offer of one-to-one meetings with line managers was found to be helpful.

“There were questions about what that [being at risk of redundancy] meant for them as individuals depending on their length of service or the impact that it might have on other things.”

Susan Kelly, Line Manager, Glasgow.

iii) For all staff

‘Transfer passport packs’ were also put together by HR to provide a further level of support to all employees, whether they were transferring or leaving the organisation through redundancy. These packs included information that they might need after transfer and were designed to take account of the fact that, as Consumer Futures would no longer exist as an organisation after the transfer, the HR function would also not be available for staff to contact or refer to after that time. These packs included:

- A standard reference, tailored for every employee who was leaving the organisation;
- Contact details for BIS (Consumer Futures’ sponsor department), since BIS would receive all legacy employee files and information relating to non-transferring employees;

- Contact details for the Civil Service pension provider, in case of any queries about redundancy payments or pension post transfer;
- The employee's latest performance appraisal record, since some employers ask to see this as part of the application process;
- For transferring employees, a copy of the Consumer Futures terms and conditions of employment that would transfer with them.
- A set of the latest FAQs.

Delivering difficult messages

Speaking to all those that had to deliver difficult messages to staff, it was clear that most of them felt very well prepared by HR through the provision of guidance materials and updates. In addition, they also felt that they were enabled to deliver messages in way that suited their management style and individual team dynamics:

"I worked very closely with my team. We have a very good working relationship anyway, in as much as they know that I will listen to their views. So this was a good basis to make sure that the communication during the transfer process was a two way thing rather than somebody just telling them that 'this is going to happen' and 'this is the process', and the like... I encouraged everybody to pool the questions that they might have as a team, so we set up a folder that people could add questions to that we could then send to HR."

Robert Hammond, SMT director and line manager, London

Forwarding new questions to HR as they arose became a regular activity by senior staff and line managers, and HR's diligence in providing responses accurately and quickly was appreciated as a key element in the process by both managers and employees. For example, sometimes staff asked questions that the managers were not able to answer as a decision had not yet been made on that area. One line manager noted that there is always a potential for tension in that kind of situation, as it can appear as if managers are reluctant to deliver difficult messages, or are badly prepared, which can affect staff morale. Being able to channel 'difficult' questions in a positive direction helped prevent this happening:

"The worst thing in the world is to give some uncertain information and later have to double track back on yourself. You don't want people to be confused; you want it to be as straightforward as possible."

Phil Simpson, Transition Project Manager, London

Those giving difficult messages also drew support from other colleagues in their office, their local SMT lead and their own line manager. This was often cited as being extremely helpful in deciding how to approach difficult situations with their staff.



“I remember meeting them [her line reports] to give them the ‘At Risk letters’, rather than just giving them the letter through the post. As line managers, we all agreed that we would meet with our team either individually or as a group and explain the content of the letter. It’s just really the opportunity for them to ask any questions as well. It’s not a nice thing to have to do, but at least then it was done. It didn’t just land on their doorstep one day.”

Susan Kelly, Line manager, Glasgow

Impact on the business⁴

- Absence has not increased, as might have been expected during a period of change or uncertainty. A detailed absence analysis report showed that Consumer Futures absence levels were lower than public sector averages and were lower in 2013 than 2012. Voluntary turnover also remained low.
- There were no Employment Tribunal claims received during the pre-transfer stage of the transition.
- The vast majority of employees in transferring posts decided to transfer, including some who had indicated at the start of consultation that they were not minded to do so and were thinking of resigning.
- The organisation metrics show that work has progressed well in Consumer Futures in 2013-14 despite the changes in the pre-transfer phase of the transition. All work plan projects are progressing well, and programme and research expenditure are all on target.

What would Consumer Futures say to other organisations going through an employee transfer?

We asked all those who were interviewed about their reflections on the pre-transfer period. Here are some of the main themes discussed with a selection of quotes illustrating what the respondents had to say.

Communicate well and use varied communication methods

The need to communicate well and use an array of communication methods was a key theme arising from the interviews. This helped to allay fears amongst staff and also helped them understand some of the pressures that management were going through.

“Communicate, communicate, communicate, but also be prepared for that communication not to be received by everyone and understood by everyone in the same way. It’s not a one-size fits all approach.”

Annette Clinnick, HR Director, London

4 These impacts on the business are noted at the time of writing the case study, March 2014.



“Make sure you tell employees that there is nothing to tell them if that is the case because going silent is the worst thing you can do. They think you’re keeping things from them and that’s not the case at all. It’s normally the case that you’re waiting for a decision. So just be open with them and they appreciate your openness.”

Nicola Jones, HR Senior Manager, Cardiff

“I suppose I would say it’s okay not to know the perfect 100 per cent end solution from day one... I think it’s fine to say, ‘Look, we’ll get there, we’re going to have to work things out along the way and we’ll work with you collectively as an organisation to make sure it meets the end goal.’”

Phil Simpson, Transition Project Manager, London.

Maintain a focus on the day job

For those managing staff, there was a clear need to maintain a focus on the ‘day jobs’ of the people they were managing and use people management strategies to facilitate this. As explained below:

“Make sure the day job is given equal priority to the transfer – it’s important for the commitment to the job to be maintained.”

Anonymous, Line Manager

“Total transparency is key. So give your staff information when you’ve got information to give. I would say manage expectations as well, don’t promise things that you can’t deliver or don’t set timetables and agendas that are speculation at best. Appreciate that your staff have their day jobs to focus on too – so support them with that.”

Robert Hammond, SMT director and line manager, London

Seek agreement early and be mindful of engaging with staff

For senior staff and those managing the transfer, the message was more about seeking agreement about the process at an early stage, taking time to prepare for the transition and being mindful about how to engage with staff.

“Get early agreement between all of the parties about what the timetable’s going to be and what’s going to happen. That’s easy to say, but in a complex world, not easy to achieve.”

Anonymous, Member of SMT



“Seeking agreement about the direction of travel and the roles that you’re going to play in transfer is important as this benefits everyone involved.”

Justin Gutmann, Unite Trade Union Representative, London

“As a member of SMT, don’t share your own worries and moans with the staff, but do talk to SMT colleagues and senior HR personnel. It helps to be able to share concerns, but you also need to show leadership – it’s very important to keep staff morale up.”

Trisha McAuley, Senior Director, Glasgow

Rachel Pinto and Emma Dibb, Acas Research and Evaluation

David Taylor, Acas Strategy Unit

