HUMAN RESOURCES

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REDUNDANCY - WHAT YOUR EMPLOYER SHOULD DO

As the recession continues to bite, it's clear a number of organisations are cutting back on their workforces. It stands to reason that your Golf Club may need to cut costs (and that usually means staff) in order to balance the books. If that's the case there are certain procedures they must follow for any dismissals to be fair.

The first option is for them to seek volunteers. Many businesses are afraid to use this method in case the volunteers are not suitable. There is no obligation on an employer to accept those that come forward. An employer is entitled to state that they reserve the right to refuse volunteers, particularly where it will leave the club with an unbalanced workforce.

Assuming they are making compulsory redundancies, the first thing they require to look at is the pool for selection. From this they require to identify positions for potential redundancy. Thereafter, they need to identify the grounds upon which they will select for redundancy.

Most employers look to carry out a selection matrix with a number of criteria in it, i.e. flexibility, length of service, absence, sickness, performance, transferable skills and disciplinary record. Wherever possible, these criteria must be objective and measurable. For example with flexibility, in order to make it objective, you need to determine how points will be scored. If someone can carry out four tasks, they may score, for example, five points. This can then be reduced where employees score lower if they can only carry out one task.

With length of service, if an employee has one year's service he scores one point, two year's service two points etc. Since age discrimination legislation was introduced, last in first out cannot be used as a sole selection criteria without risk of it being held as discriminatory.

With sickness absence again, if you have no absences you can score five points, up to three absences four points. Again this can be done on a sliding scale as you consider appropriate. Absences for the care of dependants or other absences protected by law should be excluded. The same can be applied to conduct/disciplinary record.

Finally, in respect of transferable skills, you again need to identify where those skills will be transferred to within the business and therefore how an employee comes to score each of their respective marks.

Having done this, your employer needs to embark on individual consultation with affected employees. This should last for at least one week (preferably longer) during which time the employee can either work or be invited to remain away from the workplace in order to consider their options and take appropriate advice.

During the initial consultation, it should be pointed out to the employee why the redundancies are necessary. Employers should explain why the employee is being proposed for redundancy based on their score. An explanation should be provided as to how their score was arrived at. It is not necessary to share everybody's score with affected employees.

Employees should then be given one week to take advice and to consider their position, make representations or suggest alternatives.

Once the week has been completed, the employee should be brought back in for a second consultation meeting at which the employee must be invited to make any representations they wish. If the employee makes representations these must be considered by the employer.

The final point to bear in mind is that an appeal process must also be followed in the case of redundancy dismissal.



