



Ashley Kate
HR & Finance

HR Director Boardroom Summary

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EVERSHEDS
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Guest Speaker:



Jill Maidment
Founder & Director of
Natural Talent

Discussing the topic:
**"Managing Change in a
VUCA Workplace"**

Our recent event was an insightful and informative discussion hosted by Jill Maidment, Founder and Director at Natural Talent and chaired by Tom Bray, Partner at Eversheds Sutherland International LLP.

Jill opened the discussion by greeting the attendees and announcing the topic of the session. She emphasised the significant changes in managing change and the VUCA workplace over the past three and a half years. She informed the delegates that they would be divided into breakout rooms to address their individual change challenges. In the first session, they would discuss their biggest change challenges and then Tom would offer some valuable insights from a legal perspective on overcoming major change challenges. Following that, the subsequent breakout sessions would focus on successful change management practices within their respective organisations, considering the multitude of ongoing changes.

Jill initiated the discussion by highlighting traditional change management aspects. These typically involve changes in ownership resulting from mergers and acquisitions, organisational adjustments, shifts in leadership or management positions, modifications to processes and procedures, formulation of new company visions, strategies, vision statements, and purpose-driven values. Cultural transformations, sector transitions, exploration of new markets for products and services, and even site closures or relocations were also considered. Jill acknowledged that change management experts addressed these topics in their books and articles. To address traditional management issues, she turned to Tom, recognising his valuable legal insights.



Navigating Employment Changes

Tom highlighted the presence of both longstanding implementation challenges and new obstacles brought about by the rapid pace of global change. He acknowledged the familiar employment issues that have been a constant in his work for the past 20 years. Tom anticipated discussing the emerging challenges later, but first, he aimed to provide an overview of the traditional employment concerns that have required the assistance of employment lawyers. He assumed that most of the audience was familiar with them.

He mentioned the inclusion of employment-related aspects in due diligence during transitional change projects, referring to the familiar consultation obligations outlined in redundancy legislation. These legal obligations need to be effectively managed, depending on the workforce representative structure. Tom emphasised that the approach may differ based on whether the environment is unionised or has an elected employee representative's system in place.

Additionally, Tom highlighted another crucial issue that often arises during periods of business requirements or changes: turnover of senior management teams. He stressed the legal risks associated with the departure of senior executives, as well as the implications of new executives joining the organisation.



VUCA: Volatile, Uncertain, Complex and Ambiguous

Jill began by discussing the concept of managing change in the VUCA workplace, a term coined by Warren Bennis and Burton Anas. She explained that VUCA stands for Volatile, Uncertain, Complex, and Ambiguous, representing constant and unpredictable workplace changes. Jill emphasised that the VUCA workplace has become even more challenging in recent times.

While some of the techniques, models, tips, and advice from Bennis and Anas are still relevant, Jill highlighted the significant changes since then. She shared some statistics to illustrate the current business landscape. These statistics include nearly 50% of companies undergoing restructuring, thousands of mergers and acquisitions, and hundreds of thousands of organisational failures. Surprisingly, Jill revealed that these statistics were from the 1980s, showcasing the long-standing prevalence of constant change.

Moving to the present, Jill described the VUCA workplace in 2023 as vastly different. She emphasised the unprecedented pace of change, influenced by factors such as the 'Me Too' movement, Black Lives Matter, Brexit, and the challenges of attracting and retaining skilled talent. She discussed the impact of the pandemic, including the shift to remote and hybrid working, the phenomenon of the "great resignation," and the difficulties of reintegrating employees into the office.

Jill also mentioned the high number of long-term sick individuals in the UK, the cost of childcare affecting working parents, wage pressures, the sustainability agenda, the conflict in Ukraine causing energy price hikes and inflation, and the rise of artificial intelligence. With all these factors in mind, Jill invited the audience to share their biggest change challenges confidentially during the discussions, to see if any of the issues she had mentioned resonated with their own agendas and to explore potential solutions.



Legislative Requirements

Tom began by discussing the biggest challenge he had previously mentioned, which involved navigating through legislative requirements in an increasingly uncertain environment. He highlighted that the traditional approach of following a one-off event and neatly ticking boxes does not align with the reality of constant change. As a lawyer, Tom emphasised the need to comply with legislative requirements while also being flexible, pragmatic, and responsive to unexpected challenges. He acknowledged the contrasting perspectives between legal processes and cultural leadership aspects of making the right decisions in each situation. Tom also highlighted the importance of understanding clients' sectors, pressures, and broader empathy before providing advice.

Addressing specific changes, Tom mentioned the impact of politics in the workplace, particularly since the Brexit referendum. He noted a shift in employees' willingness to express their opinions, even on political matters, which was previously considered inappropriate. Tom attributed this change to generational factors and highlighted societal challenges such as the 'Me Too' movement, Black Lives Matter, and climate change. These challenges contribute to the expression of political opinions at work. He acknowledged that this trend could create additional challenges in the workplace.

Addressing Employment Changes

Tom then discussed the challenges related to the cost of living, pay settlements, and industrial relations. He pointed out that strikes and labour disputes have increased, leading to indirect employment issues and putting stress on sectors like hospitality. Tom emphasised the importance of understanding labour and industrial relations law, especially for unionised businesses. This is as compliance with regulations and navigating disputes become more complex. He mentioned the evolving tactics used by trade unions, such as leveraging tactics and targeting shareholders. He also mentioned the impact of compliance breaches on companies.

Brexit-related uncertainties also came into focus, with Tom highlighting the importance of understanding the immigration regulatory landscape and complying with Home Office requirements for employing workers from the EU or other parts of the world. He expressed concerns about potential changes to UK policy, which have created uncertainty and affected legal obligations.




Navigating Workplace Challenges

Tom touched on challenges related to returning to the office, hybrid work, discrimination claims, and contractual changes. He noted that bringing employees back to the office on a regular basis could lead to issues like indirect discrimination claims. Achieving contractual changes, particularly in unionised environments, is also challenging. Tom mentioned the tightened provisions of the Trade Union and Labour Relations Act and the difficulty of reaching deals with trade unions in the current environment.

Tom acknowledged that there has been an increase in the number of Employment Tribunal cases. He emphasized the challenges faced when defending against public trial claims, particularly when the focus is on events that occurred several years ago. Defending claims in such circumstances can be difficult, and there may be a lack of resources and support for the hearings. He also mentioned that the introduction and subsequent repeal of fees for Employment Tribunal claims created a chaotic situation.

Addressing the 'Why' Behind Change

Jill emphasised the importance of communication when managing change. She stated that during times of acquisition, change, or settlement agreements, rumours tend to spread, and it is crucial to communicate effectively. Instead of solely focusing on the process, she advised considering the why behind the introduction of change. Jill observed that many organisations tend to explain how they will implement changes without adequately addressing their reasons. She noted that people desire more information about the financial and operational aspects, as they want to feel involved and informed rather than having changes imposed upon them.



In her breakout group, Jill and the participants discussed the challenges they faced and the need to paint a picture of the future. They mentioned the relevance of conducting PESTLE analyses, engaging employees through surveys to address their concerns promptly, and identifying quick wins or golden nuggets to make progress. Jill reiterated the importance of communication, suggesting town hall meetings and informal sessions to engage employees and using basic yet effective strategies like providing refreshments as these are always popular in offices. She stressed the need to clearly and concisely explain the roadmap of change, how roles and responsibilities fit in, and minimise focus on detailed processes and structures. Jill quoted William Payne, a management guru, who emphasised the need for leaders to drive change. She noted that during times of external challenges like COVID-19, junior staff sought strong leadership.

Challenges of Legal Processes

Tom highlighted the challenges that arise from the process-driven nature of the law, which can hinder clear and effective communication. He acknowledged the time pressures faced by businesses but emphasised that rigid timetables can make communication difficult. In their breakout session, they discussed the importance of time as a valuable commodity and how flexibility in timing can greatly impact communication. Tom mentioned that compressed timelines lead to condensed messages and stressed the value of giving proper thought and time to communicate.

He then discussed areas where the law can be unhelpful in conveying messages. One example he mentioned was the uncertainty surrounding when to initiate changes in project restructuring or redundancies. Sometimes, the intention may not be to reduce headcount, but changes in employment terms or roles may trigger redundancy laws. Determining the trigger point for a redundancy law can be challenging.

Balancing Legal Compliance

Tom also highlighted the complexities of consulting employees. According to redundancy law, consultation is required as soon as a firm proposal is formed, even if it is well in advance of any intended departures. This early consultation can be unsettling for employees, especially if they wish to remain with the company. Additionally, employees often want to know quickly about their redundancy pay. Balancing the need for legal compliance with timely communication can be frustrating for them.

Communication Challenges

Regarding TUPE transfers, Tom mentioned the challenge of communicating with the workforce when redundancies may occur due to the incoming purchaser or service provider not requiring current employees. Different messaging approaches are required, and caution must be exercised to avoid making direct offers to employees before exhausting collective bargaining.

Objective Conversations

Tom also discussed the option of having objective conversations as an alternative to restructuring or redundancy. If certain formalities are followed, these conversations offer protection against unfairness but not discrimination. While it may not be the right approach in all cases, it can be appreciated for its straightforwardness and honesty. Tom advised against getting too fixed on off-the-record conversations but cautioned against saying anything inappropriate that could potentially be disclosed in a tribunal.



Harnessing Effective Strategies

Jill emphasised the importance of communication while also considering the legal implications involved. She mentioned that their breakout group had engaged in valuable conversations about effective strategies to cope with significant changes and challenges. They had already begun discussing small initiatives that could make a meaningful impact. They highlighted that these initiatives don't necessarily have to be extensive. Jill suggested having another round of discussions to share what has worked well in their respective organisations to address these challenges.

Driving Success

Jill expressed satisfaction with the positive conversations and valuable ideas shared in the breakout group. Aware of the limited time, they briefly discussed what success would entail. Feedback was emphasised as a crucial element, whether through engagement surveys or polls, to gather regular input. Jill mentioned the effectiveness of conducting skip-level and cross-functional meetings to recreate the informal interactions that occurred in the office. They emphasised the importance of maintaining a positive vision for the future, acknowledging the current challenges but consistently painting a realistic and optimistic picture.

Clarifying roles and responsibilities in times of uncertainty was also crucial, as well as seeking input from employees and identifying change champions and ambassadors to influence a positive mindset within the organisation. Jill stressed the significance of HR being visible, agile, authentic, and leading by example while encouraging leaders to do the same. Understanding the pulse of teams and investing in talent assessments were suggested to address issues and determine success accelerators.

Jill highlighted the need to focus on emotional intelligence and soft skills, aligning everyone behind the new vision, and making tough decisions with leadership judgment. Resilience and the ability to lead during a crisis were also deemed essential, along with active listening and coaching. Creating a positive and innovative culture was seen as a key factor in future success. Jill concluded by noting that these efforts would contribute to improving employee engagement, retention levels, and productivity.





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